



Canada Border  
Services Agency

Agence des services  
frontaliers du Canada

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## **DRUG ANALYSIS REPORT (DAR)**

### **2015 (JANUARY TO DECEMBER)**

**Intelligence Analysis Section,  
Intelligence Operations and Analysis Division,  
Enforcement and Intelligence Operations Directorate**

PROTECTION • SERVICE • INTEGRITY

**Canada**

DRUG ANALYSIS REPORT (DAR)  
INTELLIGENCE ANALYSIS SECTION  
2015 (JANUARY TO DECEMBER)

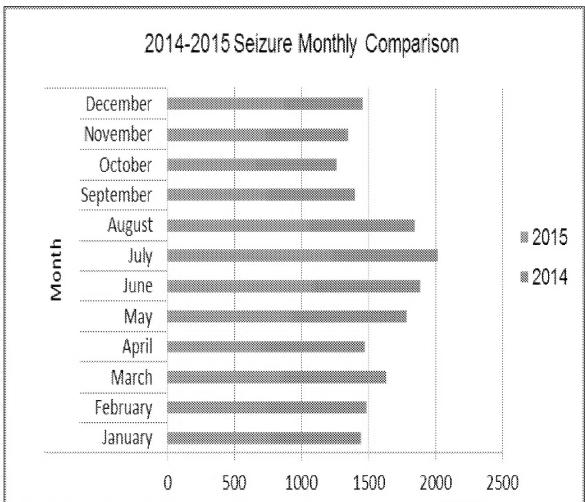
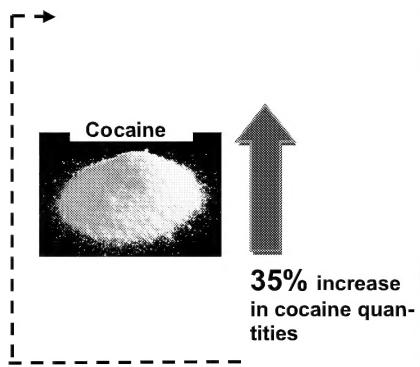
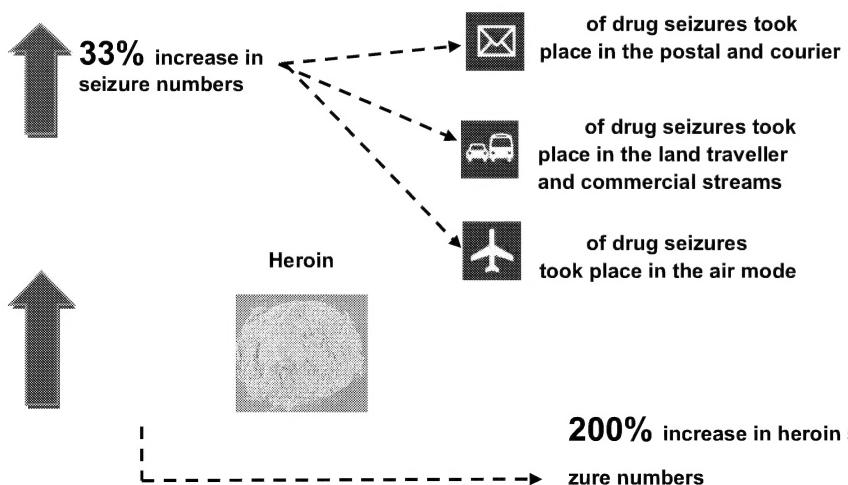
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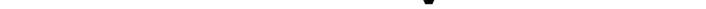
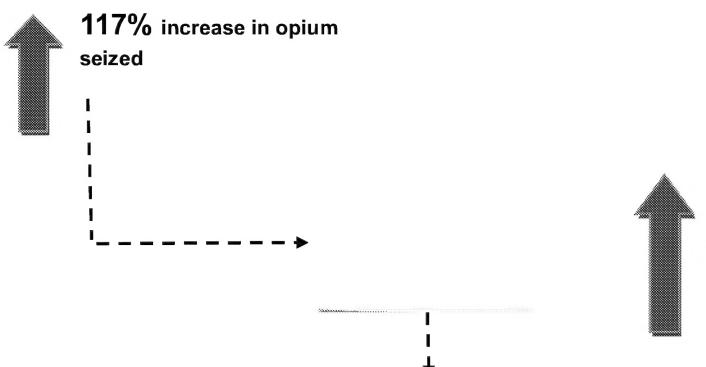
# DRUG ANALYSIS REPORT (DAR)

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## INTELLIGENCE ANALYSIS SECTION



Changes in drug statistics from 2014 to 2015		
Drug	Seizures	Quantity
Cocaine	Stable	-50%
Heroin	68%	-4%
Opium	-12%	31%
Marijuana	54%	-61%
Amphetamine	35%	-42%
Methamphetamine	38%	-30%
Hashish	51%	62%
Khat	-4%	-49%
GBL	-24%	194%
Steroids	-14%	8%
MDMA	109%	513%
Fentanyl	60%	728%



Similarly to 2014, the highest number of seizures occurred in the summer months particularly **July** (1,228) whereas the lowest number of seizures occurred in October (654)

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### Drug Analysis Report (DAR)

The following report will provide statistical information on each of the main categories of drugs seized by the CBSA, coupled with trend analysis, examination of supply and demand factors as well as forecasts for 2016. All information was extracted using the Integrated Customs Enforcement System (ICES). The following is an explanation of the modes outlined for each category of narcotics:

#### Modes

Air (P) refers to the air traveller/passenger stream at Canadian international airports.  
Air (C) is comprised of narcotics seized via courier parcels and other types of commercial aircraft.  
Land (P) refers to land traveller mode in private vehicles.  
Land (C) contains seizures in commercial tractor trailers.  
Postal mode includes all seizures in mail other than commercial couriers.  
Marine mode includes cargo containers and small private boats  
Rail mode includes passenger and commercial trains.

#### Regions

Atlantic (ATL)  
Quebec (QUE)  
Greater Toronto Area (GTA)  
Northern Ontario (NOR)  
Southern Ontario (SOR)  
Prairies (PRA)  
Pacific (PAC)

#### Other Terms

Canadian Centre on Substance Abuse (CCSA)  
*Controlled Drugs and Substances Act (CDSA)*  
World Health Organization (WHO)  
Port of Entry (POE)  
United Nations Office on Drugs and Crime (UNODC)

Explanatory notes on the report and data:

1. Information for this report was retrieved from the Integrated Customs Enforcement System (ICES) for the period of January 1<sup>st</sup>, 2015 to December 31<sup>st</sup>, 2015. Data was pulled over the period January 18<sup>th</sup> to the 25<sup>th</sup>, 2016. Subsequent changes to 2015 data in the system were not captured.
2. For the purposes of this report, countries found in the "Transit" category may also be origin countries in some instances. The lists are based on the stated point of origin in ICES.
3. Residue seizures were not counted towards total numbers.
4. Modes were determined based on the POE. For POEs where the mode was unclear, closer analysis was done in order to determine the accurate method in which the narcotics were seized.
5. Air commercial mode includes courier parcels as well as other commercial cargo, including all seizures listed under "Cargo" section of airports in ICES
6. Outbound drug seizures are included in total numbers.
7. Methamphetamine numbers include powder meth as well as crystal meth.
8. All original units of measure were preserved for narcotics reported in ICES that are seized in varying forms such as dosage (pills), grams and millilitres.
9. Due to the absence of a drug category for fentanyl in ICES, the reporting on this drug is not comprehensive. However based on individual seizure tracking and consultations, we are confident in the judgements reported.

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## **COCAINE**

Schedule I substance under the *Controlled Drugs and Substances Act* (CDSA)



**2015 (JANUARY TO DECEMBER)**      **TOP 3 PORTS OF ENTRY (# Seizures)**      **TOP 3 PORTS OF ENTRY (KG)**      **2015 Main Transit Points**      **2014 Main Transit Points**      **2014**

Total: 303 seizures  
[1,157kg]

Total: 303 seizures [2.358kg]

ANALYSIS

Analysis

In 2015, the number of cocaine seizures was on par with 2014 while quantities seized dropped by half. Although cocaine is smuggled from various countries in 2015. Seizure numbers in streams increased while decreasing in other modes. Quantities seized decreased across modes with the exception of

Large drops in quantities seized in 2015 were encountered in these regions encountered large intelligence led marine seizures in 2014. The reported drops in the number of seizures and quantities, seizures increased and quantities decreased. regions have remained at relatively stable levels compared to 2014.

## Supply and Demand Factors

While coca bush cultivation is stable in two of the primary cultivating countries, , are at record lows since the United Nations Office on Drugs and Crime (UNODC) began tracking this type of information in the 1980s. Fumigation of coca bushes by law enforcement combined with continued dismantling of cocaine labs throughout South/Central America are decreasing the supply of cocaine to Canada.

Canadian Centre on Substance Abuse (CCSA), the rate of cocaine use in the Canadian population is low (~1%), nevertheless, cocaine is the second most commonly used illicit substance.

## Forecast

Cocaine seizures in 2016 are expected to be on par with 2015 while quantities are predicted to decrease. Seizures from 2010 until 2015 have remained relatively stable ranging from 300 to 420, and quantities have hovered around 1,000 kilograms with the exception of 2010 and 2014 due to large seizures.<sup>1</sup> Given the cocaine shortage, there is the heightened risk that will remain the most at-risk transshipment points for cocaine seized in Canada.

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HERIN					Seizures	Quantity
2015 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2015 Main Transit Points	2014 Main Transit Points	2014	
					Total: 168 [212kg]	Total: 100 [220kg]

Total: 168 [212kg]

Total: 100 [220kg]

ANALYSIS

**Analysis**

In 2015, heroin seizures increased by 68% while quantities dropped by 4%. Heroin was mostly seized in [REDACTED] but in smaller quantities compared to 2014. [REDACTED] regions reported an increase in seizure numbers by 105% and 377% respectively. Heroin seized in [REDACTED] is sent primarily from [REDACTED] while in [REDACTED] it tends to transit through [REDACTED]. When the narcotic surfaces in [REDACTED] significant quantities are sent from [REDACTED] while the [REDACTED] is the main transit point for heroin seized in [REDACTED]. [REDACTED] role as a transshipment point of [REDACTED] heroin to Canada has increased since 2014, which is demonstrated by a rising number of seizures and quantities occurring most frequently at [REDACTED]. Throughout 2015, [REDACTED] have emerged as important transit points for heroin, and [REDACTED] have also increased in frequent transit points. The preferred concealment method is [REDACTED]

**Supply and Demand Factors**

In some communities, heroin is emerging as the drug of choice due to being cheaper and more easily obtainable than prescription opioids. Police and addiction professionals have reported that the surge in heroin use directly coincides with shrinking street supplies of OxyContin, the most commonly abused prescription drug, which was reformulated into tamper resistant pills in 2014. Heroin is also surfacing outside of large urban centres in communities that have rarely or never had to deal with the narcotic. Those turning to heroin — often to stave off opioid withdrawal — cross all age groups and social and economic backgrounds. production of opium, required to produce heroin, is at a historic high since the 1980s when data collection by UNODC began; production in [REDACTED] has also been steadily increasing. remains the world's largest grower of opium poppies, while heroin laboratories where opium is processed into the finished product are operational in this country as well as [REDACTED]

**Forecast**

Heroin seizures in 2016 are expected to remain stable. Due to the increased role of [REDACTED] countries in smuggling heroin to Canada and UNODC reporting on this global trend, seizures from these countries are anticipated to increase in 2016. [REDACTED] are expected to continue to be significant transshipment points. Despite UNODC information on the global increase of heroin production, seizures in Canada moreover, it can take years for heroin to reach destination countries.

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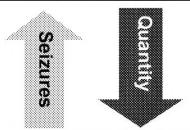
OPIUM					
Schedule I substance under the CDSA					
2015 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2015 Main Transit Points	2014 Main Transit Points	2014
Total: 133 [262kg]					Total: 151 [200kg]
ANALYSIS					
<b>Analysis</b> The number of opium seizures has dropped by 12% in 2015 compared to 2014; however, quantities seized have increased by 31%. 113% respectively, while reported a decrease of 14%; minor or no changes have been reported across the other regions. In 2015, opium trafficking routes to Canada shifted, as played greater roles as transit points. are the most common methods of smuggling opium; in some instances, transited through and, to a lesser extent, also served as a transshipment point for opium seized in Most opium intercepted in the seized the narcotic from	regions reported significant increases in quantities seized of 250% and are the most common methods of smuggling opium; in some instances, transited through and, to a lesser extent, also served as a transshipment point for opium seized in				
<b>Supply and Demand Factors</b> According to the CCSA, Canada ranks second worldwide for prescription opioid abuse. Since 2014, this abuse has surged due in part to the reformulation by health officials of the powerful opioid OxyContin into tamper-resistant pills, causing users and addicts to divert to other prescription or illicit drugs that produce similar pain relief effects. According to the UNODC, an increase in the supply of opium worldwide was the result of an increase in poppy cultivation in throughout 2014 which has reached historical high levels since data has become available in the 1980s.					
<b>Forecast</b> Due to record high opium crops and a steady increase in quantities since 2012, opium seized in 2016 will likely be higher than 2015; however, seizure numbers will remain stable. Opium seizure numbers have remained consistent since 2010 where higher than normal seizures and quantities occurred					

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MARIHUANA					
Schedule II substance under the CDSA					
2015 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2015 Main Transit Points	2014 Main Transit Points	2014
Total: 3601 [156kg]					Total: 2338 [407kg]



ANALYSIS					
<b>Analysis</b> Marihuana seizures increased by 54% in 2015 as quantities decreased by 61%. accounted for the highest number of marihuana seizures, representing 32% of total seizures, followed by : at 28% and 10% respectively while seized 5% or less. Despite a lower number of seizures, intercepted the largest quantities of marihuana followed by . Compared to 2014, seizure numbers have increased in but decreased in reported increases in quantities seized. Drops in quantity seized in decreased by 21%. Since 2014, I continue to be the origin/transit points for marihuana seized at Canadian POEs. Marihuana from is most commonly seized in the while marihuana from the is seized almost exclusively at the . Marihuana from is most often seized in the are all large producers of marihuana and given that it's grown domestically, smuggling routes are not as varied as other narcotics. Generally, marihuana seized is for personal use, weighing 30 grams or less.					

**Supply and Demand Factors**

Marihuana is grown across Canada, which results in less illicit imports than other narcotics. Canada is known to export considerable amounts of marihuana as shipments of over 5kg have been seized on route to countries such as

**Forecast**

Given the extensive degree to which marihuana is grown domestically, quantities seized inbound at POEs will be on par with 2015. Seizures are likely to continue increasing in small amounts due to legalization of marihuana in and decriminalization in Largest marihuana seizures are expected to continue to occur outbound, primarily to

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AMPHETAMINE						Seizures	Quantity
2015 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2015 Main Transit Points	2014 Main Transit Points	2014		
Total: 259 [92kg / 3,696d.]					Total: 191 [159kg / 11,673d]		
<b>ANALYSIS</b>							
<b>Analysis</b> In 2015, the number of amphetamines seizures has increased by 35% while kilograms seized have decreased by 42% compared to 2014. was stable but reported an increase in seizure numbers while drops occurred across the other regions. The largest seizure number increase occurred However, registered the largest quantities seized and a substantial number of seizures also occurred via the emergence of the as a source country of amphetamine powder seizures.							
<b>Supply and Demand Factors</b> Over the years, the abuse of clandestinely produced amphetamines has spread. According to the UNODC, a review of the data available on seizure and detection suggests that Canada is among the largest amphetamine-type stimulant (ATS) producing nations. The highest populations of individuals currently abusing amphetamines are college/university students who use for social reasons and as a study aid. Amphetamines are also used by athletes to enhance their performance, by long-distance truck drivers on long journeys, and by workers engaged in heavy physical activities.							
<b>Forecast</b> Despite an ongoing domestic appetite for amphetamines, due to extensive production of the narcotic in Canada quantities seized are not expected to increase in 2016.							

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METHAMPHETAMINE					
Schedule I substance under the CDSA					
2015 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2015 Main Transit Points	2014 Main Transit Points	2014
Total: 132 [29kg / 227d]					Total: 95 [41kg / 313d]
ANALYSIS					
<b>Analysis</b> In 2015, the number of methamphetamine seizures increased by 38% while kilograms seized at Canadian borders declined by 30% compared to 2014. reported an increase in seizure numbers of 158% and 233% respectively, while other regions remained relatively stable. In most methamphetamine was seized in the likely originating in and transiting through most methamphetamine was seized in Methamphetamine quantities seized tend to be small amounts for personal use (307 grams and/or 18 pills); however, reporting indicates that large shipments of methamphetamine are being smuggled in Canada for production and subsequent exportation overseas.					
<b>Supply and Demand Factors</b> While there are no accurate estimates of the size of the Canadian meth market, the low cost, ease of manufacture and availability has led to a rise in use among a variety of people, especially at nightclubs and parties, and among cocaine users for its similar effects. The global market for synthetic drugs continues to be dominated by methamphetamine; however, most of the methamphetamine available in Canada is produced from domestic clandestine laboratories or smuggled from either directly or via These drug-production operations are extremely lucrative and generally linked to criminal organizations.					
<b>Forecast</b> Methamphetamine seizures are expected to increase in 2016 as a result of a steady rise in seizure numbers since 2010. Due to the trend of unpredictable and low numbers of unusually large methamphetamine seizures, no significant changes are expected in quantities.					
The drug is likely entering Canada via the					

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HASHISH					
Schedule II substance under the CDSA					
2015 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2015 Main Transit Points	2014 Main Transit Points	2014
Total: 173 [1,727kg]					Total: 114 [1,062kg]
ANALYSIS					
<b>Analysis</b> In 2015, hashish seizure numbers and quantities increased by 51% and 62% respectively compared to the previous year. _____ experienced increases in seizures numbers. _____ reported the highest number of hashish seizures and quantities seized in 2015. Quantities of hashish seized have increased in _____ by 64% and 121% respectively compared to 2014 but the other regions remained stable or increased slightly. _____ represents the most significant point of departure for hashish seized in _____ are the most frequent transshipment points for _____ is the transit point for hashish seized in . The significant increase in quantities seized in 2015 is largely attributable to a single large seizure of 1,331 kilograms at the _____ similarly in 2014, a single seizure was encountered in the _____.					
<b>Supply and Demand Factors</b> The production of hashish or "cannabis resin" is generally confined to regions in _____ continue as two of the largest producers. Cannabis products are the most widely used illicit substances across the Americas and there is no indication of decreases in prevalence of use.	According to the UNODC, global seizures of hashish have increased.				
<b>Forecast</b> In 2016, hashish seizures are expected to be on par with 2015 due to the fluctuating nature of seizures over the years and the small number of unusually large seizures that account for most hashish seized overall.					

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CATHA EDULIS (KHAT)					
Schedule IV substance under the CDSA					
2015 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2015 Main Transit Points	2014 Main Transit Points	2014

Total: 633 [4,239kg]					Total: 661 [8,369kg]		
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ANALYSIS

**Analysis**

In 2015, the number of seizures and quantities of khat seized by the CBSA decreased by 4% and 49% respectively compared to 2014. A decrease in seizure numbers occurred in \_\_\_\_\_ reported an increase. Drops in quantities seized occurred in \_\_\_\_\_ of 90% and 34% as \_\_\_\_\_ reported increases of 9%. Routings for khat smuggling activities targeting Canada have considerably changed from the \_\_\_\_\_ is the preferred method for smuggling khat to Canada followed by \_\_\_\_\_

**Supply and Demand Factors**

Khat is the drug of choice among the \_\_\_\_\_ in Canada. The drug is cultivated and legal in \_\_\_\_\_ hours after the plant is harvested as khat leaves start to deteriorate and lose the stimulant effect (cathinone, the narcotic content). Smugglers prefer to send fresh khat to its final destination within 48 to 72

**Forecast**

Although khat seizures have declined, khat smuggling activities originating from \_\_\_\_\_ will continue to target Canada at similar levels to 2015, given that the demand for khat remains high in the \_\_\_\_\_. Quantities seized are expected to drop, due to a consistent decrease recorded since 2012. Due to more frequent social gatherings during the summer when consumption of this drug is preferred, the summer months are expected to record higher than average seizures of this substance.

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GAMMA- BUTYROLACTONE (GBL)					
Schedule VI substance under the CDSA					
2015 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (Litres)	2015 Main Transit Points	2014 Main Transit Points	2014
Total: 60 [3,082 litres]					Total: 79 [1,048 litres]
ANALYSIS					
<b>Analysis</b> GBL quantities seized in 2015 have significantly increased by 194% as the drug gains popularity as an alternative for alcohol and other drugs. Seizure numbers dropped by 24%. have reported significantly higher amounts of GBL seized. reported GBL seizures; none had occurred in 2014. Source or transit countries have remained consistent with 2014, as chemical companies in account for significant quantities of GBL seized in Canada.					
<b>Supply and Demand Factors</b> GBL can be easily and legally sourced through the Internet, is consumed by a diversified clientele and has a high profit margin once converted to Gamma-hydroxybutyric acid (GHB). Studies have found that the recreational use of GBL/GHB has been increasing steadily in the last decade, especially among young people as the sought-after effects mimics those of alcohol and is not as expensive. Legitimate companies may be misused by traffickers to source GBL for the illegal production of drugs. There are numerous legitimate chemical suppliers that sell GBL, most of which are located in however, the World Health Organization (WHO) has reported some located in According to social media websites, unnamed suppliers from are available through the darknet.					
<b>Forecast</b> GBL smuggling activities will increasingly target Canada resulting in higher quantities and seizure numbers, given its higher potency and intoxicating effects. Its availability as a replacement for other drugs will continue to contribute to its increasing popularity as a party drug. As a result, GBL may gain additional popularity with traffickers given the high profit margin and that the process of converting GBL to GHB is simple and does not require complex laboratory equipment. will continue to be the most prevalent smuggling methods However, larger quantities will likely be transported via					

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**ANABOLIC STEROIDS**

Schedule IV substance under the CDSA

2015 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2015 Main Transit Points	2014 Main Transit Points	2014
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Total: 1,505 [194kg / 210,501d]

Total: 1,751 [180kg / 222,176d]

**ANALYSIS**

**Analysis**

Anabolic steroids seizures have dropped by 14% since 2014 while quantities seized in kilograms have increased by 8%. regions reported decreases in seizure numbers except most frequently seized illicit substance by the CBSA. In most cases, anabolic steroids are seized in

Steroids are the third

**Supply and Demand Factors**

Most illicit steroids are smuggled to Canada from abroad. In some instances, persons purchase different ingredients and chemical components on the internet and produce the steroids in their homes. Steroids are also illegally diverted from legitimate sources. The Internet is the most widely used means of buying and selling anabolic steroids as well as for buying the material required for steroids production. These drugs are popular in the bodybuilding community, where the culture of muscle growth is valued. According to academic studies, anabolic steroids have a significant market in teenagers who are driven by image insecurities or sports aspirations to consume the substances that are advertised as performance enhancing.

**Forecast**

Steroid seizures will likely remain on par with 2015. Since 2010, seizure numbers have fluctuated, with peak years in 2010 and 2013 but decreases otherwise. Anabolic steroids have a stable consumer market that shows no signs of diminishing. Furthermore, under the CDSA, importation for personal use does not carry a penalty of imprisonment which might incentivize individuals to risk the importation of ingredients for fabrication at home.

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METHYLENEDIOXYMETHAMPHETAMINE (MDMA)					
Schedule I substance under the CDSA					
2015 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG/Dosage)	2015 Main Transit Points	2014 Main Transit Points	2014
Total: 134 [<1kg / 4,493d]					Total: 64 [<1kg / 732d]



ANALYSIS					
<b>Analysis</b> In 2015, the number of seizures and the quantities of MDMA smuggled to Canada increased by 109% and 513% respectively compared to 2014. reported an increase in seizure numbers while reported a decline. Quantities seized tend to be for personal consumption. Throughout 2015, smuggling activities targeting Canada from have increased significantly, where MDMA is produced in laboratories for the sole purpose of trafficking and sent to Canada and other locations					
<b>Supply and Demand Factors</b> Canada is known as a source country for MDMA destined for Significant quantities of MDMA are seized by Canadian law enforcement from domestic laboratories, indicating the continued involvement of organized crime in large and sophisticated domestic production operations. organized crime groups are often active in cross-border smuggling of large quantities of MDMA between Canada and as well as in the importation of precursor chemicals from source countries such as					
<b>Forecast</b> In 2016, the quantity of MDMA smuggled into Canada is expected to remain on par with 2015 or decrease due to high domestic production. Seizure numbers are expected to decrease based on seizure data since 2010; however, 2015 was an unusual year for higher than average seizures. is expected to continue as a significant origin point for MDMA seizures in Canada. Despite its illegal status in this country, possession of small amounts for personal use is ignored and generally not prosecuted; pill making technology as well as chemicals required to produce MDMA are easily accessed.					

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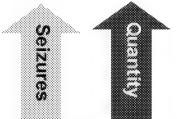
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**FENTANYL**

Schedule I substance under the CDSA



2015 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2015 Main Transit Points	2014 Main Transit Points	2014
Total: 32 [58kg]					Total: 20 [7.2kg]

**ANALYSIS**

**Analysis**

Seizures of fentanyl have increased by 60% in 2015 compared to 2014 and quantities rose by 728%. reported increased in seizure numbers while encountered fewer seizures. The preferred smuggling modes continue to be the and, to a lesser extent, For the most part, fentanyl shipments often arriving in both tablet or powder form via

**Supply and Demand Factors**

Fentanyl is commonly purchased and send to Canada via where it is subsequently moved by organized crime networks. Western Canada ranks the highest for abuse of fentanyl. accounts for nearly 100% of seizures as fentanyl is unregulated. It is conceivable that fentanyl supply lines could expand to include sourced fentanyl products.

**Forecast**

Smuggling of fentanyl and its precursors are expected to increasingly target Canada given the extensive reporting on the escalating use of fentanyl and the steep increase of overdose deaths in 2015 compared to 2014; there are no indications that the domestic appetite for this substance is diminishing. Its potency combined with low price in comparison to other narcotics that produce similar euphoric and pain relieving effects such as heroin will continue to render fentanyl appealing to consumers. A recent large seizure of the immediate precursor oxiracetam indicates possible intent to finalize the product domestically for trafficking purposes.

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Canada Border  
Services Agency

Agence des services  
frontaliers du Canada

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# DRUG ANALYSIS REPORT (DAR)

## 2016 (JANUARY TO DECEMBER)

Current Intelligence and Analysis Section,  
Intelligence Operations and Analysis Division,  
Enforcement and Intelligence Operations Directorate

PROTECTION • SERVICE • INTEGRITY

Canada

DRUG ANALYSIS REPORT (DAR)  
CURRENT INTELLIGENCE AND ANALYSIS SECTION  
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### Drug Analysis Report (DAR)

The following report will provide statistical information on each of the main categories of drugs seized by the CBSA, coupled with trend analysis, examination of supply and demand factors as well as forecasts for 2017. All information was extracted using the Integrated Customs Enforcement System (ICES). The following is an explanation of the modes outlined for each category of narcotics:

#### Modes

Air (P): air traveller/passenger stream at Canadian international airports.

Air (C): commercial courier parcels and other types of commercial aircraft.

Land (P) refers to land traveller mode in private vehicles.

Land (C) means seizures in commercial vehicles.

Postal mode includes all seizures in mail other than commercial couriers.

Marine mode includes cargo containers and small private boats.

Rail mode includes passenger and commercial trains.

#### Regions

Atlantic (ATL)

Quebec (QUE)

Greater Toronto Area (GTA)

Northern Ontario (NOR)

Prairies (PRA)

Pacific (PAC)

Southern Ontario (SOR)

#### Other Terms

Canadian Centre on Substance Abuse (CCSA)

*Controlled Drugs and Substances Act (CDSA)*

Centre for Addiction and Mental Health (CAMH)

Port of Entry (POE)

United Nations Office on Drugs and Crime (UNODC)

New Psychoactive Substances (NPS)

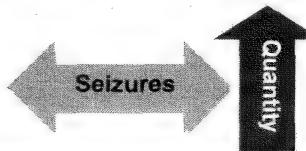
Amphetamine Type Substances (ATS)

1. Information for this report was retrieved from the Integrated Customs Enforcement System (ICES) for the period of January 1<sup>st</sup>, 2016 to December 31<sup>st</sup>, 2016. Data was pulled over the period of January 4<sup>th</sup> to the 15<sup>th</sup>, 2017. Subsequent changes to 2016 data in the system were not captured.
2. For the purposes of this report, countries found in the "Transit" category may also be origin countries in some instances. The lists are based on ICES point of origin.
3. Residue seizures were not counted towards total numbers.
4. Modes were determined based on the POE. For POEs where the mode was unclear, closer analysis was done in order to determine in which mode the narcotics were seized.
5. Air commercial mode includes courier parcels as well as other commercial cargo, including all seizures listed under the "Cargo" section of airports in ICES.
6. Outbound drug seizures are included in total numbers and referred to as "exports".
7. Methamphetamine numbers include methamphetamine seized in powder and crystal form.
8. All original units of measure are referenced as reported in ICES.
9. Reporting on fentanyl precursors was done in grams on the precursor page due to the fact that only small quantities are required to manufacture the narcotic as opposed to other drugs that require much higher precursor quantities.
10. This report uses the NPS definition as set out by the UNODC. The term NPS does not refer to substances, which are not necessarily "new", but to substances that may pose a public health threat that are not controlled by the 1961 Single Convention on Narcotic Drugs or the 1971 Convention on Psychotropic Substances.

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**OPIUM**Schedule I substance under the *Controlled Drugs and Substances Act* (CDSA)

2016 (JANUARY TO DECEMBER)	TOP 3 PORTS OF ENTRY		Main Transit Points		2015
	# Seizures	Kg	2016	2015	
Total: 132 [363 kg] Exports: 0					Total: 133 [262 kg] Exports: 0

**ANALYSIS****Analysis**

The number of opium seizures has remained on par with 2015 while quantities seized have increased by 38%, which is mainly due to a single unusually large 94 kg marine mode seizure in a most frequently seized in ; however, seizures continue in mode, in both the traveller and commercial streams. Similarly to 2015, a low number of large (+10 kg) seizures account for the majority of quantities seized throughout the year and were most often seized in or . The concealment method involving to smuggle substantial quantities of drugs continued in 2016. Opium seizures account for over 30% of CBSA seizures of drugs in . The use of to transport drugs is not associated to a particular criminal organization but rather exploited by different criminal networks and organized crime groups involved in the illicit importation of drugs. For opium, many of these traffickers are located in . In the : and officers generally encountered opium as round black spheres, declared on both and by which is popular in and allegedly alleviates health issues such as arthritis.

**Supply and Demand Factors**

and, to a lesser extent, are longstanding transit points of opium. While farmers continue to grow opium poppies, / remains the world's largest grower of the poppy plant which serves as the base for the production of opium. According to the UNODC, opium cultivation has increased by 10% in 2016 largely due to a reduction of eradication efforts as a result of the deteriorating security situation. Moreover, favorable climate conditions and high quality poppy crops have resulted in an increase in opium yields per hectare. This second factor likely persuaded farmers away from legitimate crops and to poppy farming due to increased profit margins. The consumer market for raw opium in Canada is not considered significant as the domestic appetite leans heavily towards synthetic opioids due to their much higher potency and wider availability. Opium consumer groups are believed to predominantly comprise of individuals from the geographical areas that produce and export opium:

**Forecast**

Opium consumption in Canada is not expected to significantly increase over the next year. However, the popularity of opium will likely continue among current consumer groups. CBSA officers are likely to continue seizing opium in from their home countries as well as in from the same regions. CBSA officers are also likely to continue seizing low numbers of sizeable opium shipments inside given this has been an ongoing trend since 2012, particularly in cargo from and the

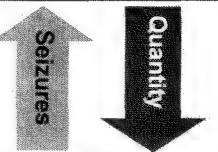
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**HEROIN**

Schedule I substance under the CDSA



2016	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (Kg)	2016 Main Transit Points	2015 Main Transit Points	2015
Total: 246 [194 kg] Exports: 70 [<1 kg]					
				Total: 168 [212 kg] Exports: 11 [<1 kg]	

**ANALYSIS****Analysis**

Over 2016, heroin seizures have increased by 46%, which is largely as a result of a rise in outbound postal seizures. The pronounced export increase is driven by strategic roving activities at CBSA , particularly in . The largest quantities of heroin continue to be seized in the concealed in false lining of suitcases. Substantial quantities are also seized inside and . Heroin in packages from is frequently concealed in the false containing objects such as or while heroin seized arriving from , is often discovered inside various packages in 2016 were intended for residential addresses in the Officers most commonly describe heroin from and as a brown powder, whereas in seizures from , white. Export seizures involved ; averaging less than one gram addressed to various countries including the and . Export small amounts of other narcotics such as methamphetamine, MDMA, LSD and ketamine.

**Supply and Demand Factors**

While cartels supply mostly heroin to the market, heroin continues to dominate the Canadian market. According to the UNODC, organized crime groups have been spreading and strengthening, which has resulted in an increased flow of drugs and weapons through the continent towards and . The observed increase in 2016 of , opium crops may also result in increased heroin production over 2017; however, CBSA seizures will likely not reflect these trends immediately. The DEA estimates that the number of heroin addicts is on the rise in the ; however, in Canada there is insufficient data to determine if such a trend is occurring, particularly as governmental health efforts are focused on addressing the public health crisis fuelled by the consumption of synthetic opioids, namely fentanyl. As of fall 2016, public policy initiatives in Canada aiming to curb synthetic opioid addiction rates and overdose deaths now involve the prescription of pharmaceutical grade heroin. If such initiatives are not coupled with increased resources to assist in curbing addiction to any form of opiate or opioid, users may shift their patterns of use towards heroin as it is perceived as less harmful.

**Forecast**

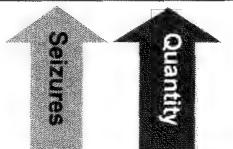
Heroin is increasingly transiting , countries, and subsequently distributed throughout Canada by local organized crime groups. In 2016, and to a lesser extent I and were the top transit countries in This trend is expected to continue in 2017, I and will likely remain significant transit points.

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**FENTANYL**

Schedule I substance under the CDSA



2016	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (Kg)	2016 Main Transit Points	2015 Main Transit Points	2015
Total: 97 [32 kg/1 d] Exports: 1 [<1 kg]					Total: 41 [8 kg/1,319 d] Exports: 2 [1,132 d]

**ANALYSIS****Analysis**

The number of fentanyl seizures more than doubled in 2016 compared to 2015. The most pronounced increase occurred in the \_\_\_\_\_ mode with total quantities seized rising by 300%. The CBSA Laboratory identified a variety of different types of fentanyl in the powders submitted by officers for analysis, including furanylfentanyl (most commonly encountered), butyrylfentanyl and carfentanil (the most potent fentanyl analogue encountered so far). \_\_\_\_\_ and \_\_\_\_\_ continue to be the main source countries accounting for over 90% of seizures and quantities. \_\_\_\_\_ containing less than half a gram of fentanyl have also been seized in shipments from the \_\_\_\_\_ and the \_\_\_\_\_. Fentanyl in patch form is most likely to be encountered in \_\_\_\_\_ modes without the required prescription. Fentanyl is mainly found in \_\_\_\_\_ declared as a variety of legitimate goods including \_\_\_\_\_ or \_\_\_\_\_. In a few cases, other synthetic opioids, such as U-47700, were encountered in the same shipments as fentanyl.

**Supply and Demand Factors**

The consumption of fentanyl has increased in both its pill and powder form over 2016. The provincial government of \_\_\_\_\_ has declared a public health emergency due to extremely high overdose rates. The fentanyl consumer base is comprised of both new users as well as individuals addicted to other opiates such as heroin. Some have tried the synthetic version due to the stronger "high" it produces while others consume heroin laced with fentanyl, whether knowingly or unknowingly. Despite targeted law enforcement efforts, fentanyl remains widely available both in Canada and abroad. The \_\_\_\_\_ as well as the \_\_\_\_\_ requiring special software to access that increases anonymity) offer numerous opportunities for consumers to purchase fentanyl and its analogues. Legislative initiatives aimed at curtailing the supply of fentanyl analogues and precursors continue. In fall 2016, the Canadian government passed legislation regulating the six remaining known fentanyl precursor chemicals that were not previously included in the CDSA. According to the \_\_\_\_\_ play a significant role in the current worldwide fentanyl crisis. While there have been no direct fentanyl seizures from \_\_\_\_\_ to Canada as of yet, it is possible that over the next five years \_\_\_\_\_ heroin laced with fentanyl will enter the Canadian drug market. \_\_\_\_\_ are known to combine heroin with fentanyl, as indicated by the wide territorial expansion of \_\_\_\_\_ throughout North America, and encounters of heroin laced with fentanyl in the north eastern \_\_\_\_\_ market.

**Forecast**

Due to the Canadian government's regulation of fentanyl precursors, officers are more likely to seize fentanyl in its completed formula as opposed to its precursors. The likelihood of interception is higher for multiple shipments of chemicals, jeopardizing production of the final substance for traffickers. Also, the costs of setting up and operating laboratories are high, making the import of the finished product more desirable for smugglers. Given the CBSA's ongoing focus on \_\_\_\_\_ with suspected powders from \_\_\_\_\_ and \_\_\_\_\_ and continued increase in domestic consumer demand, fentanyl seizures are likely to increase over 2017.

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**COCAINE**

Schedule I substance under the CDSA

2016	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (Kg)	2016 Main Transit Points	2015 Main Transit Points	2015
Total: 651 [2,453 kg] Exports: 333 [20 kg]					Total: 303 [1,157 kg] Exports: 35 [<1 kg]

**ANALYSIS****Analysis**

In 2016, cocaine seizures and quantities have increased, primarily due to a high number of low quantity seizures ( $<1$  gram/average) as well as a small number of sizeable seizures. Inbound seizure numbers are on par with 2015. CBSA officers seized a higher number of large scale cocaine seizures (+50 kg) than in 2015, many as a result of intelligence referrals. The pronounced quantity increases in CBSA regions are primarily a result of unusually large seizures. Larger quantities of cocaine are being smuggled to Canada through the corridor in 2016; seizures rose by 10% and quantities by 56% compared to 2015. Similarly to 2015, the is the largest single exporter of cocaine to Canada. The quantity of cocaine smuggled through the to Canada was more than four times higher in 2016 than 2015 (643 kg in 2016). The majority of cocaine transiting the was seized at the land border, particularly from commercial tractor trailers from and are known to use their extensive transportation networks to shepherd cocaine northbound from through territory, to the and to Canada. The substantial increase in land border seizures from the (+81% seizures; +333% quantities) is indicative of the efficiency of border enforcement projects such as as well as a further strengthening of trafficking logistics across the

**Supply and Demand Factors**

According to the UNODC, coca leaf cultivation in the three main producing countries has been on the rise while the cocaine supply to Canada and the is considered lower than the years prior to 2015. The impact on cocaine production of the peace deal between the group that controls the majority of narcotic production in and Despite an agreement that the forces would cease their involvement in cocaine production and trafficking, the cocaine industry is unlikely to cease. The UNODC reports that as of July 2016 coca crops have increased by 40% compared to 2015. The stepping out of the cocaine business may create a power vacuum within the other criminal groups in the country who may look to take over, given the potential for enormous profits. The possibility also exists that not all fighting blocs will agree to removing themselves from the cocaine industry. are the main transporters of cocaine to the U.S. In 2016 seizures at the Canada-U.S. border suggest their increased involvement in smuggling to Canada particularly in Cocaine consumption rates in Canada are estimated to be stable at around one percent of the population.

**Forecast**

The two most significant streams for cocaine smuggling into Canada will likely continue to involve traffickers exploit volumes at Canada's ports as well as less scrutiny at small, often unmanned, airports that rely on telephone reporting. The lifting of the temporary resident visa for individuals associated with to travel to Canada to establish or further strengthen criminal networks as it removes a layer of overseas verification. The will likely continue as a key transit point for cocaine shipments.

Large quantities of cocaine will continue to be smuggled through both, as citizens will make it easier for to travel to Canada to establish or further strengthen criminal networks as it removes a layer of overseas verification. The will likely continue as a key transit point for cocaine shipments.

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**METHAMPHETAMINE**

Schedule I substance under the CDSA

2016	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (Kg)	2016 Main Transit Points	2015 Main Transit Points	2015
Total: 684 [133 kg/1176 d] Exports: 535 [29 kg/175 d]				Total: 132 [29 kg / 227d] Exports: 17 [1 kg/184d]	

**ANALYSIS****Analysis**

The number of methamphetamine seizures has increased considerably compared to 2015. This is largely due to an increase in export seizures, which account for nearly 80% of seizures. The number of inbound seizures has remained on par. However, there was a considerable increase in quantities seized resulting from a small number of large (+10kg) seizures, from the [REDACTED] Similarly to cocaine trends, the [REDACTED] is the single largest transit country of methamphetamine to Canada. CBSA officers continue to seize large quantities of methamphetamine in [REDACTED], in particular at the land border in [REDACTED]. CBSA inbound seizures reflect that methamphetamine is trafficked primarily in powder and crystal form, while seizures of liquid methamphetamine in outbound shipments indicates the presence of domestic production labs particularly on the Canadian West Coast. Methamphetamine concealment methods in CBSA seizures are consistent with those reported by [REDACTED] partners.

**Supply and Demand Factors**

The [REDACTED] estimates that more than 90% of methamphetamine available in the [REDACTED] is [REDACTED] product that enters primarily at the Southern border, particularly South-West border in both traveller and commercial streams. An indirect smuggling chain exists from [REDACTED] to Canada through the [REDACTED]. Since 2010, some of the largest methamphetamine seizures in Canada transited states where cartels have a significant presence: [REDACTED] and [REDACTED] (having likely entered through [REDACTED] and [REDACTED]). Officers seized large methamphetamine quantities at the [REDACTED] border, many transiting exhibiting concealment methods.

Methamphetamine being exported from Canada to the [REDACTED] and [REDACTED] is likely produced domestically given the quantity of methamphetamine precursors seized by the CBSA. However, as estimates of yearly domestic consumption are much lower than those of production (2,300kg consumed versus a range of 4,500kg-11,400kg produced), a portion of CBSA inbound methamphetamine seizures may also be intended for onwards trafficking, particularly to [REDACTED] where methamphetamine addiction rates are on the rise and profits are much higher for traffickers.

**Forecast**

Given the ongoing domestic production of methamphetamine, inbound seizures are not likely to significantly increase in 2017. However, due to the extensive transportation networks maintained by [REDACTED] throughout the [REDACTED], CBSA officers will likely continue to encounter a small number of large (+10kg) methamphetamine shipments at the [REDACTED], particularly in [REDACTED] from [REDACTED] and [REDACTED] into [REDACTED] and [REDACTED] regions. Concealment in [REDACTED] methamphetamine will likely continue, particularly in outbound shipments as has been the case to date. Similar to liquid cocaine, groups created liquid methamphetamine specifically because the physical properties of liquids make it easier to conceal and harder for border officials to detect.

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**AMPHETAMINE**

Schedule I substance under the CDSA

**Seizures**  
**Quantity**

2016	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (Kg)	2016 Main Transit Points	2015 Main Transit Points	2015
Total: 211[40 kg/1999 d] Exports: 26 [<1 kg/543 d]					Total: 259 [92kg / 3,696d.] Exports: 22 [416d]

**ANALYSIS****Analysis**

The number of amphetamine seizures continues to decrease year to year. This is likely the result that amphetamine is commonly consumed within the markets where it is produced. Furthermore, reports suggest that amphetamines are not as popular among Canadian consumers. Methamphetamine is the drug of choice due to a more pronounced and prolonged euphoric and energizing effects. The \_\_\_\_\_ and \_\_\_\_\_ continue as the main origin countries for inbound seizures and the majority of seizures continue to occur in the \_\_\_\_\_ and \_\_\_\_\_ modes. The average quantity seized is 20 grams and the largest single seizure weighed 10 kg in a \_\_\_\_\_. Officers most commonly encounter amphetamine in \_\_\_\_\_ containing crystalline chunks and in powder form; however, CBSA officers also discovered over 3 kg of amphetamine concealed in \_\_\_\_\_ along with cocaine.

**Supply and Demand Factors**

According to the UNODC, amphetamine production and trafficking is normally regionally confined, however reports since 2015 suggest the possibility that the amphetamine markets in \_\_\_\_\_ as well as the largest amphetamine markets worldwide- are becoming increasingly interconnected. Most reports discuss trends regarding the broader Amphetamine-Type Substances (ATS) category as amphetamine is comprised of a variety of different chemicals. The UNODC also reports that the ATS market is becoming increasingly diversified, due in part to the proliferation of websites granting easier access to a wide range of chemicals required in the production of amphetamine. Due to its synthetic nature, amphetamine can be manufactured anywhere as it does not depend on natural ingredients such as coca leaves or poppies as is the case for cocaine and heroin. Most of the precursors and equipment required in the production of amphetamine can be purchased on the \_\_\_\_\_ or at \_\_\_\_\_. However the Centre for Addiction and Mental Health (CAMH) estimates that Canadians are most likely to consume prescription medication with effects similar to those provoked by amphetamine, such as Ritalin and Dexedrine. Users are most commonly individuals whose work requires prolonged periods without rest such as students and truck drivers.

**Forecast**

Given the decrease in amphetamine seizures and ongoing domestic production, in 2017, CBSA seizures will likely remain on par with 2016. Canadian consumers are expected to continue to prefer prescription medications that produce the same effects as amphetamine as they are perceived as less harmful and easy to obtain on the \_\_\_\_\_

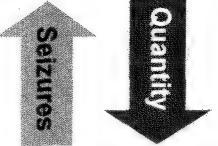
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**HASHISH**

Schedule II substance under the CDSA



2016	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2016 Main Transit Points	2015 Main Transit Points	2015
Total: 813 [32 kg] Exports: 530 [8 kg]					Total: 173 [1,727 kg] Exports: 26 [<1 kg]

**ANALYSIS**

**Analysis**  
While the number of inbound hashish seizures has nearly doubled, quantities seized have dropped considerably (-98%). This is a result of two unusually large seizures in \_\_\_\_\_ and \_\_\_\_\_ that took place in 2015 that accounted for almost all of the hashish seized that year. Transit routes to Canada were less varied in 2016 as the bulk of hashish was smuggled from the \_\_\_\_\_ and \_\_\_\_\_ in small quantities averaging less than a gram. Some of the more sophisticated concealment methods for both outbound and inbound seizures were most commonly seen in seizures over 500 grams and involved the drug disguised as \_\_\_\_\_, hidden inside \_\_\_\_\_ and | \_\_\_\_\_.

While inbound hashish seizures were most frequently involved dark brown plant matter with a strong cannabis odor, export seizures were often of \_\_\_\_\_, which is a concentrated hashish oil substance resembling \_\_\_\_\_.

**Supply and Demand Factors**

\_\_\_\_\_ and \_\_\_\_\_ continue to rank as some of the top hashish producers in the world. The large number of export seizures which account for 65% of total hashish seizures, indicates ongoing domestic production. Cannabis, which includes hashish and marihuana, is the world's most largely cultivated and consumed illicit drug. There are several challenges to accurate measurement of supply and demand for cannabis products. Unlike fields of opium poppies that are located primarily outdoors and \_\_\_\_\_ and measurement of crops and potential yield, the cannabis plant is extensively grown indoors inside homes and greenhouses which significantly hinders estimates of production. Growers use the cannabis plant to extract hashish, which is a psychoactive component of the plant, by compressing the resin glands of the female cannabis plant. This process can be undertaken anywhere around the world, much like the cultivation of the cannabis plant. Therefore it is assessed that the hashish supply to Canada is largely domestic. The consumer base is difficult to determine, however CAMH estimates that consumer rates of cannabis products are at approximately 24% of the population among youth (15-24) and 8% in adults over 25. Hash oil and other cannabis concentrates are often consumed in e-cigarettes or vaporizers. Consumption rates will likely increase with the upcoming legalization of cannabis products by the Canadian government.

**Forecast**

Given the ongoing domestic production and the stable hashish consumption rates in Canada, it is unlikely that the CBSA will witness a significant increase in inbound hashish seizures. Export seizures are expected to continue at similar levels as throughout 2016. Given the sporadic nature of large scale hashish seizures, intelligence referrals may lead to a spike in inbound quantities seized in 2017. The legalization of marihuana will impact hashish seizures and domestic consumption is likely to increase as a result of the lessening of negative criminal consequences associated with the narcotic.

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**METHYLENEDIOXYMETHAMPHETAMINE (MDMA)**

Schedule IV substance under the CDSA

2016	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (Kg)	2016 Main Transit Points	2015 Main Transit Points	2015
Total: 368 [5kg/2589d] Exports: 206 [3kg/407d]					Total: 134 [<1kg / 4,493d] Exports: 9 [1kg/32d]

**ANALYSIS****Analysis**

The number of inbound MDMA seizures has increased (+20%) with quantities seized remaining stable. Export seizures accounted for more than half of overall seizure numbers and quantities seized. As was the case in 2015, the \_\_\_\_\_ and the \_\_\_\_\_ are the only notable origin countries for MDMA seized in Canada. Outbound seizures were mostly in \_\_\_\_\_ including the \_\_\_\_\_ and \_\_\_\_\_ Officers encountered MDMA in a variety of forms, including coloured rocks/crystals (brown or grey), beige/brown powder or pills in \_\_\_\_\_. Quantities seized are generally small, averaging less than one gram and concealment methods tend to be unsophisticated.

**Supply and Demand Factors**

Inbound seizures continue to be predominantly from the \_\_\_\_\_ and the \_\_\_\_\_. The lack of diversity in the supply chain is likely a result of ongoing domestic production of MDMA. The UNODC estimates that \_\_\_\_\_ and \_\_\_\_\_ produce most of the world's MDMA, while the largest user market is located in \_\_\_\_\_ and \_\_\_\_\_ as well as \_\_\_\_\_. Since 2015, health care treatment reports and law enforcement seizures across the world have indicated increasing trends of MDMA consumption. The \_\_\_\_\_ also estimates that for most countries, MDMA produced domestically is largely intended for supplying the domestic market. Due to its synthetic nature, MDMA can be produced anywhere in the world, in personal homes as well as large scale laboratories. Reporting suggests that most MDMA is trafficked over the \_\_\_\_\_ given the ease of ordering with near anonymity. MDMA pills are light in weight, making it easy for traffickers to place in \_\_\_\_\_ and \_\_\_\_\_ them without much risk. Canadian governmental estimates place the MDMA user base at less than one percent of the total population. Teenagers and young adults are known to use this drug particularly in the summer months, given a higher number of music events and festivals.

**Forecast**

In 2017, inbound MDMA seizures are expected to remain on par with 2016 and export seizures will likely continue at similar levels. There is no indication that the MDMA user market is increasing, and part of the domestic production will likely continue to be exported to other countries.

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**MARIHUANA**

Schedule VI substance under the CDSA

2016	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2016 Main Transit Points	2015 Main Transit Points	2015
Total: 8,428 [685 kg] Exports: 5,012 [364 kg]					Total: 3601 [156kg] Exports: 497 [37kg]

**ANALYSIS****Analysis**

Marihuana seizures more than doubled in 2016 over 2015, however this is a result of export seizures, primarily at [ ] and [ ] that accounted for more than 60% of total seizure numbers and 53% quantities seized, as inbound numbers remained stable. Officers continue to seize small quantities of marihuana, as 97% of seizures in 2016 were under 200 grams. The largest marihuana seizure of 2016, of 128kg was not intended for consumption within Canada. The shipment was in transit from the [ ] and was addressed to the [ ] In [ ] and [ ] both inbound and outbound, marihuana was commonly declared as [ ]

**Supply and Demand Factors**

Marihuana continues as the most widely available and commonly used narcotic within Canada as well as the [ ]. Despite legalization or decriminalization in several [ ] states since 2014, the full impacts of this significant change in legislation for consumption as well as law enforcement are yet unclear. However, the DEA reports that certain developments have occurred since legalization, including increases in domestic production of marihuana, rise in seizures of different marihuana concentrates, more demand for higher quality product and increased numbers of extraction laboratories of THC (Tetrahydrocannabinol) which is the psychoactive component of the cannabis plant. According to the DEA, foreign produced marihuana has been on the decline since 2010 in the [ ]. Most marihuana consumed in Canada is also believed to be domestically grown by organized crime groups, private individuals as well as those with licenses to grow who choose to grow more than the permitted amount for profit. In fall of 2016, law enforcement seized 4,000 marihuana plants from a Health Canada licensed grow-op in one of the largest- however not isolated- incidents of licensed growers "over-producing" on the black market for financial gain.

**Forecast**

Marihuana has been cultivated in Canada for years despite illegality of doing so, and legalization by the government will likely encourage higher rates of consumption and increases in production given that the threat of legal repercussions will be removed. The impacts at the border will be highly dependent on the ultimate governmental decisions on whether to also legalize import and export, or solely within Canada. Pending finalizations of such discussions, if the strategic [ ] roving activities continue, export seizures will likely continue to account for the majority of marihuana seizures, as inbound trends are not expected to change.

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DRUG ANALYSIS REPORT (DAR)  
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**CATHA EDULIS (KHAT)**

Schedule IV substance under the CDSA

2016	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (Kg)	2016 Main Transit Points	2015 Main Transit Points	2015
Total: 561 [7,599 Kg]					Total: 633 [4,239 Kg]
Exports: 0					Exports: 0

**ANALYSIS****Analysis**

Similarly to 2015, officers continue to seize the majority of khat in the \_\_\_\_\_ and \_\_\_\_\_ and, sent directly from \_\_\_\_\_ countries where it is cultivated. Smugglers prefer to send fresh khat to its final destination within 48 to 72 hours after the plant is harvested as khat leaves start to deteriorate and lose the stimulant effect (cathinone, the narcotic content). In 2016, CBSA officers also frequently encountered dried khat. Dry khat shipments illustrate that smugglers have become adept at preserving the stimulant cathinone inside the plant through drying, to circumvent the time constraints that exist when the plant is shipped fresh. The largest khat shipment in 2016 was a 3,652kg marine shipment from \_\_\_\_\_ which is a highly unusual transit country for this narcotic given that it is mostly cultivated in \_\_\_\_\_. Most dried khat shipments were declared as tea bags. \_\_\_\_\_ remains the main country of origin for khat smuggled to Canada, while \_\_\_\_\_ role as an exporter to Canada decreased considerably.

**Supply and Demand Factors**

Khat is cultivated and legal in \_\_\_\_\_ and \_\_\_\_\_. Smugglers generally prefer to send fresh khat, however in the past year more dried khat has surfaced at POEs. A higher number of dried khat seizures coupled with drug reports indicate that smugglers have improved the khat drying process, allowing for better preservation of its psychoactive properties. This may explain the unusual seizure from \_\_\_\_\_ in \_\_\_\_\_. As travel time for shipments can be longer for dried khat. Since 2014, \_\_\_\_\_ reports have indicated growing consumption of khat in the country, firstly among the \_\_\_\_\_ and \_\_\_\_\_ diaspora and secondly among \_\_\_\_\_ population. The narcotic is likely smuggled in \_\_\_\_\_ and \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_ by OC groups seeking to profit from increased appetite for khat consumption. \_\_\_\_\_ customs have made several large scale import seizures similar to those reported by the CBSA of hundreds or thousands of kilograms from Africa. Since khat is not known to be cultivated in \_\_\_\_\_ the large number of seizures from this country to Canada may indicate the existence of a network that imports the plants from \_\_\_\_\_. \_\_\_\_\_ dries them and distributes them onwards. \_\_\_\_\_ was formerly a major supplier of khat to Canada, however during 2016 this was no longer the case, which could be attributable to sufficient buyers located in the same geographical area. \_\_\_\_\_ for example, is a major consumer of \_\_\_\_\_ khat. In Canada, the demand for khat remains high in the \_\_\_\_\_ and \_\_\_\_\_ diaspora, particularly during social gatherings as it is a narcotic that enhances feelings of well-being and increases energy, much like amphetamine.

**Forecast**

Khat seizures are expected to remain on par with 2016 and are most likely to continue to be seized from \_\_\_\_\_ and \_\_\_\_\_ given the need for traffickers to choose the quickest smuggling mode given the short shelf life of the plant. Given that khat is not widely popular outside the Canadian \_\_\_\_\_ diaspora and it does not have very powerful psychoactive effects, khat seizures will likely not considerably increase. Sporadic large scale seizures will also likely continue as a result of the low price of khat and large quantities that smugglers need to successfully ship in order to ensure profit.

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<b>ANABOLIC STEROIDS</b>				
Schedule IV substance under the CDSA				
2016	TOP 3 PORTS OF ENTRY (# Seizures)	TOP 3 PORTS OF ENTRY (KG)	2016 Main Transit Points	2015 Main Transit Points

Total: 1118 [822kg/124250d]  
Exports: 27 [4kg/6759d]

Total: 1,505 [194 kg /  
210,501 d]  
Exports: 37 [<1 kg/2249 d]

### ANALYSIS

#### Analysis

The quantity of steroids seized rose significantly in 2016 due to three unusually large seizures - two in (48kg) and one in (465kg)- in shipments from . Discounting the three unusually large seizures, The quantity of steroids seized has remained on par with 2015. CBSA officers continue to seize steroids in various forms, including and . Steroid shipments were generally declared as unregulated chemicals, including cellulose and calcium carbonate. Similarly to 2015, the largest quantities of steroids continue to be smuggled in all modes. Concealment methods range from the unsophisticated, packaged in , more sophisticated concealment in the form of

#### Supply and Demand Factors

Steroids are produced and consumed worldwide. The bodybuilding and fitness community is the primary consumer base for steroids, particularly during fitness competitions which take place worldwide. Individuals tend to view steroids as relatively harmless drugs, compared to hard drugs such as cocaine and heroin. Given their performance enhancing abilities as well as perceived low degree of harm associated with use, steroids have a strong and ongoing consumer base.

#### Forecast

The sharp increase in steroid quantities seized resulting from the three very large seizures does not necessarily indicate a prolonged and sustained upwards trend in steroid seizures. Such low numbers of highly significant seizures have occurred sporadically since 2010, which is likely the result of the relatively low cost of steroids (i.e. 30\$ per 200 tabs package) which means that traffickers must successfully obtain large amounts in order to secure desirable profits. Users will likely continue to source steroids on the and send them to Canada in the and , given ease of ordering and the relatively low penalties associated with importing these substances. Seizure numbers will likely continue to rank high for overall CBSA seizures as has been the case since 2010, generally ranking second or third after marihuana seizures.

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**PRECURSOR CHEMICALS**

Schedule VI substance under the CDSA


 Seizures

2016	DRUGS MANUFACTURED WITH THE PRECURSORS SEIZED	2015
	<b>Methamphetamine/Amphetamine:</b> <ul style="list-style-type: none"> <li>• Ephedrine</li> <li>• Pseudoephedrine</li> <li>• Hypophosphorous acid</li> <li>• Red phosphorus</li> </ul> <b>Cocaine</b> <ul style="list-style-type: none"> <li>• Potassium permanganate</li> </ul> <b>GHB</b> <ul style="list-style-type: none"> <li>• Gamma butyrolactone (GBL)</li> <li>• 1,4-butanediol (BDO)</li> </ul> <b>Heroin</b> <ul style="list-style-type: none"> <li>• Acetic anhydride</li> </ul>	<b>LSD</b> <ul style="list-style-type: none"> <li>• Lysergic Acid</li> </ul> <b>Pencyclidine</b> <ul style="list-style-type: none"> <li>• Piperidine</li> </ul> <b>Fentanyl</b> <ul style="list-style-type: none"> <li>• 4-anilino-N-phenethyl-piperidine (ANPP)</li> <li>• N-Phenethyl-4-piperidinone (NPP)</li> <li>• 4-Piperidone</li> </ul>

**ANALYSIS****Analysis**

Traffickers in Canada import a variety of precursor chemicals while they primarily export ephedrine, which is one of the main precursors used in the production of methamphetamine. In 2016, CBSA officers seized a number of substantial shipments of precursors for methamphetamine, amphetamine, GHB, fentanyl as well as smaller shipments of precursors for cocaine and MDMA. Simply put, precursors are "ingredients" in the manufacture of narcotics. \_\_\_\_\_ and \_\_\_\_\_ are the most significant source countries of precursors to Canada. Most large scale imports occur in \_\_\_\_\_ and \_\_\_\_\_ while a high number of low quantity exports of ephedrine pills are found in \_\_\_\_\_. \_\_\_\_\_ were frequently declared as unregulated substances that are widely used by \_\_\_\_\_ and \_\_\_\_\_ manufacturers such as \_\_\_\_\_.

**Supply and Demand Factors**

Governments across the globe face similar challenges in regulating and stemming the flow of precursors. Diversion from legitimate domestic and international distribution channels continues to be a significant problem. Other key ongoing issues are the off-the-shelf availability of many precursor chemicals and pharmaceuticals; evolving drug smuggling tactics; and the substitution of regulated chemicals for unregulated substances. Oftentimes, illicit manufacturers move one or several steps back in the production process by sourcing "pre-precursors" once governments regulate a certain precursor. Canadian organized crime groups are likely behind the majority of significant CBSA precursor seizures over the years as they require large amounts to ensure profitable narcotics production and they have the capability to import, store and use such significant quantities. Organized crime involvement is most pronounced in the \_\_\_\_\_ where proximity to the \_\_\_\_\_ trade industry creates ample opportunities for the importation of precursors given \_\_\_\_\_ trade volumes. Domestic demand may also be on the rise, as reports indicate an upward trend in consumption and the number of clandestine laboratories is estimated at 980. The significant quantity of methamphetamine precursors seized by the CBSA suggests there is large scale production in Canada. Canada is known to export methamphetamine to countries such as \_\_\_\_\_ the \_\_\_\_\_ and the \_\_\_\_\_, and over 70% of CBSA seizures of methamphetamine in 2016 are exports.

**Forecast**

Canada will likely continue to be targeted for trafficking of methamphetamine precursors, given estimates that traffickers export more than half of domestically manufactured methamphetamine and amphetamine. Criminal networks will likely continue targeting Canada's ports, particularly its \_\_\_\_\_, for the smuggling of large quantities of precursors directly from \_\_\_\_\_ given the high trade volumes, particularly on the Canadian West Coast. As governments worldwide increasingly regulate substances, traffickers in Canada will likely increasingly import unregulated substances as well as export chemicals that can be \_\_\_\_\_.

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**OTHER CONTROLLED DRUGS**

2016	Main substance categories classified under "Other"	Main Transit Points	2015										
Total: 4,866 Exports: 2,187	<table border="1"> <caption>Data for Main substance categories classified under "Other"</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Prescription Medication/Supplements</td> <td>73%</td> </tr> <tr> <td>Mushrooms (Psilocybin)</td> <td>21%</td> </tr> <tr> <td>Cannabis products</td> <td>4%</td> </tr> <tr> <td>New Psychoactive Substances</td> <td>1%</td> </tr> </tbody> </table>	Category	Percentage	Prescription Medication/Supplements	73%	Mushrooms (Psilocybin)	21%	Cannabis products	4%	New Psychoactive Substances	1%	<p>Prescription medication/Supplements</p> <ul style="list-style-type: none"> <li>- Ephedrine</li> <li>- Benzodiazepines</li> <li>- Cutting agents for narcotics</li> </ul> <p>New Psychoactive Substances (NPS)</p> <ul style="list-style-type: none"> <li>- Synthetic cannabinoids</li> <li>- Harmaline</li> <li>- N-Dimethyltryptamine (DMT)</li> </ul> <p>Cannabis products:</p> <ul style="list-style-type: none"> <li>- Cannabidiol</li> <li>- Shatter</li> </ul> <p>Tobacco products:</p> <ul style="list-style-type: none"> <li>- Liquid nicotine</li> </ul>	Total: 1080 Exports: 130
Category	Percentage												
Prescription Medication/Supplements	73%												
Mushrooms (Psilocybin)	21%												
Cannabis products	4%												
New Psychoactive Substances	1%												

**ANALYSIS****Analysis**

Substances seized by CBSA officers in the "Other Controlled Drugs" ICES category highlight the extent of illicit importation of prescription medications such as benzodiazepines. Export shipments, which constitute mainly of ephedrine account for 44% of seizure numbers. Generally, prescription medications seized in the [REDACTED] and [REDACTED] are likely intended for recreational use or trafficking while those seized in the [REDACTED] and [REDACTED] are often erroneously imported without the required prescriptions. Other substances classified in this category are New Psychoactive Substances (NPS) which include plant-based substances (i.e. harmaline, a psychoactive plant from [REDACTED], synthetic cannabinoids (with effects similar to cannabis however with no natural ingredients, such as K2 and Spice), synthetic cathinones (i.e. psychoactive crystals known as "bath salts" that can produce violent behaviour in users). More than half of other controlled substances were seized in the [REDACTED] mode. While NPS do not account for a high percentage of seizures, they are of particular concern as the NPS market is the most rapidly evolving illicit drug market. NPS mimic the effects of traditional illicit drugs such as ecstasy, cocaine or cannabis and producers frequently modify the chemical composition of NPS to circumvent drug regulations. While points of origin spanned nearly all continents, the top source countries were the [REDACTED] and the [REDACTED]. A notable substance with legitimate pharmaceutical uses classified under "Other" is phenacetin, which is a primary cutting agent for cocaine. In 2016, CBSA officers seized 1,379 kg of phenacetin. This substance can be purchased for as low as \$70 a kilogram, combined with cocaine and sold as pure cocaine for \$52,000 a kilogram. The amount seized by CBSA officers can generate as much as \$95 million in profits for [REDACTED] groups that traffic cocaine.

**Supply and Demand Factors**

According to the Canadian Centre on Substance Abuse (CCSA), Canada has one of the highest levels of prescription opioid use globally. Benzodiazepines and opioids are among the most frequently abused classes of psychoactive drugs in the world, including natural opiates such as codeine and morphine and semi-synthetic opioids such as oxycodone. The rise of NPS has also led to the abuse of benzodiazepines in combination with synthetic drugs given their effect of enhancing and prolonging the "high" as well as to alleviate withdrawal symptoms. Over the last several years, NPS have emerged as the substances posing the greatest challenges to law enforcement as well as a significant danger to public health. NPS are designed to mimic the effects of established illicit drugs including cannabis, cocaine or ecstasy and are sold in a variety of forms including powder, crystals, capsules or blotter tabs. These substances are found on the illicit drug markets under names such as "legal highs" and "designer drugs". NPS are particularly popular with teenagers and young adults given their primary purpose as party drugs. Users often are unaware of specific chemical composition and the potency or side effects of substances purchased online. As a result, NPS users have been hospitalized with severe intoxications.

**Forecast**

Seizures of prescription medication, particularly benzodiazepines and opiates will likely continue due to the ongoing domestic appetite for prescription medications. [REDACTED] and [REDACTED] will likely continue to be significant source countries given more lenient drug regulations in their chemical and pharmaceutical industries. NPS seizures are likely to continue at similar levels, given the continued rise in popularity of the substances, ease of purchase on the [REDACTED] and their wide availability on the [REDACTED] markets and in [REDACTED]

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## Drug Analysis Report (DAR) Year- End 2017 (January to December)

Current Intelligence and Analysis Section  
Intelligence Operations and Analysis Division  
Enforcement and Intelligence Operations Directorate

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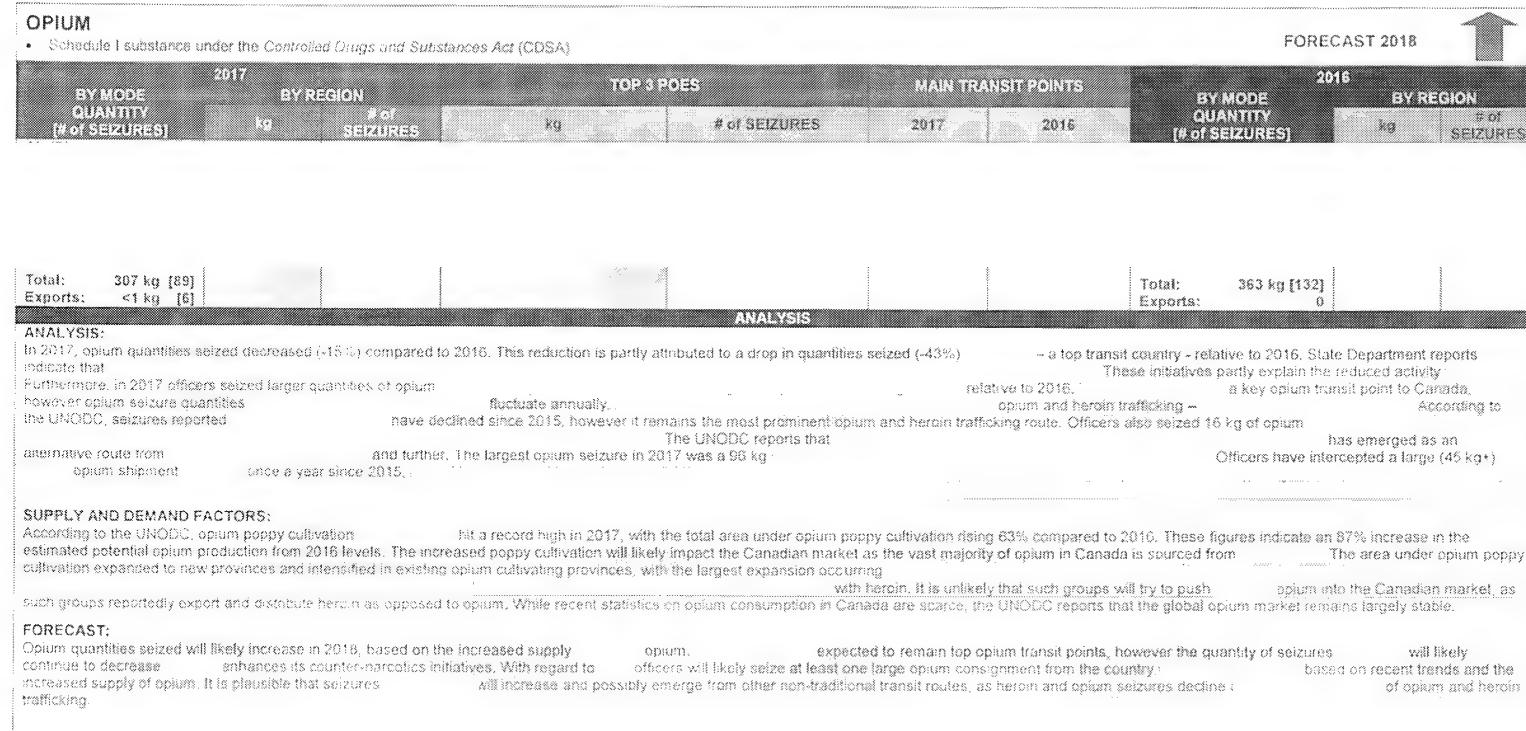
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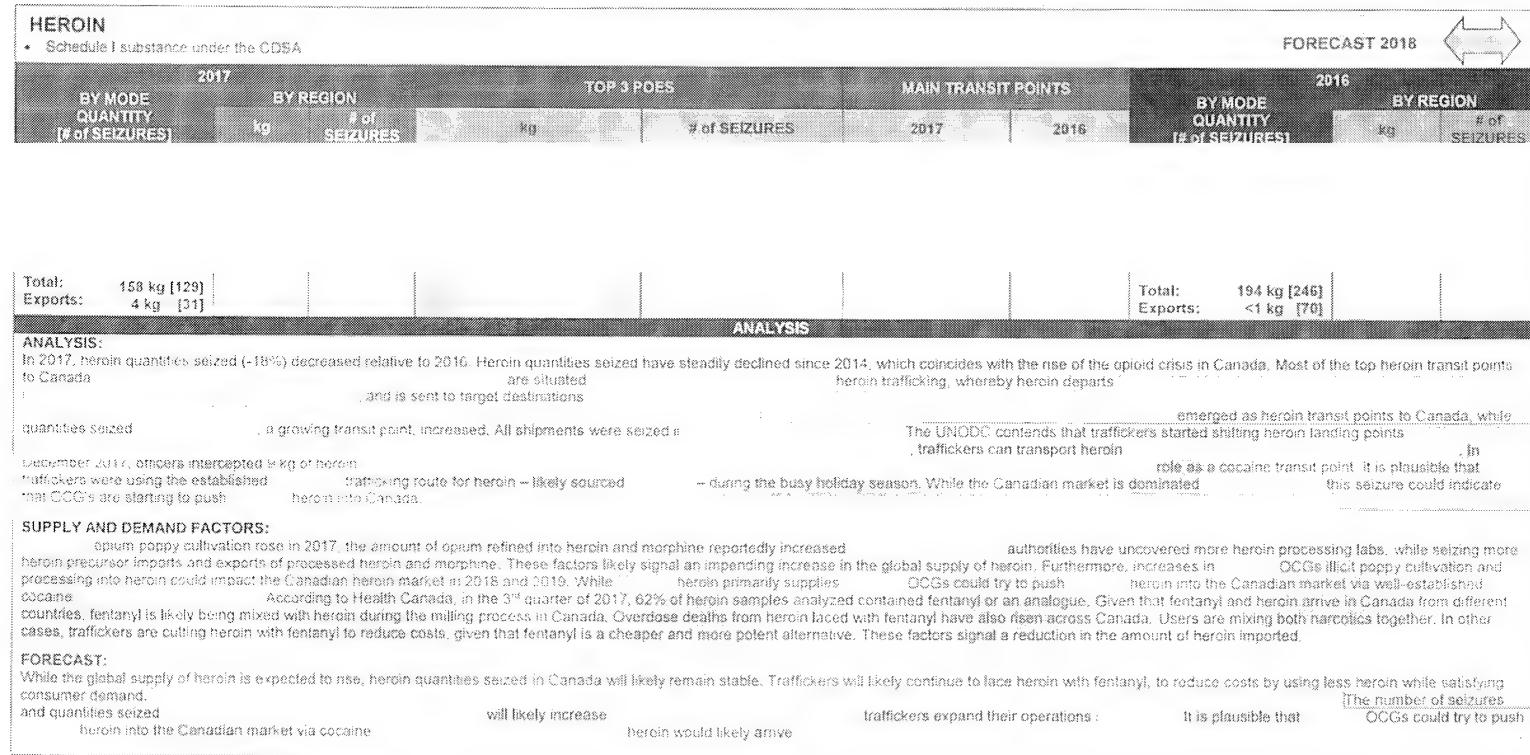


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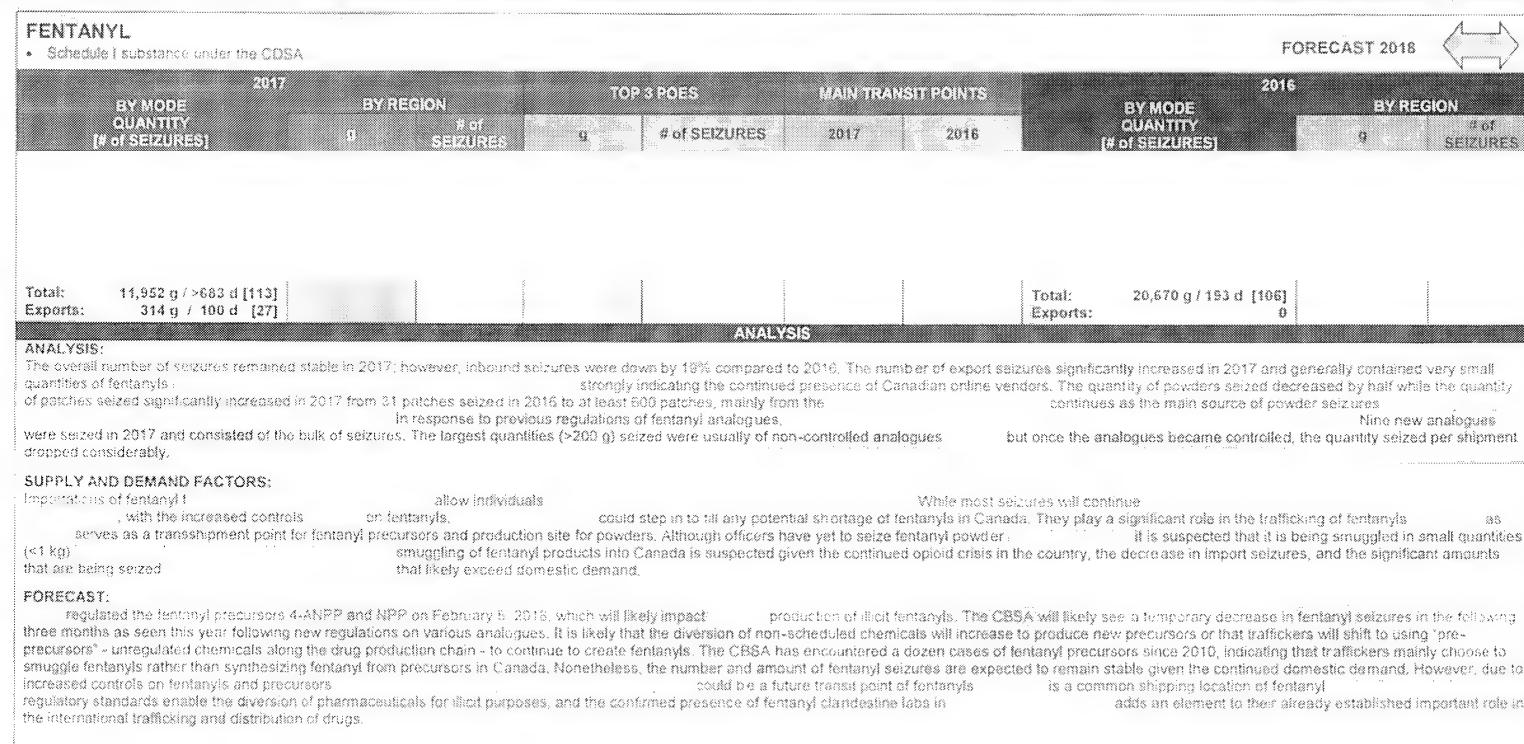
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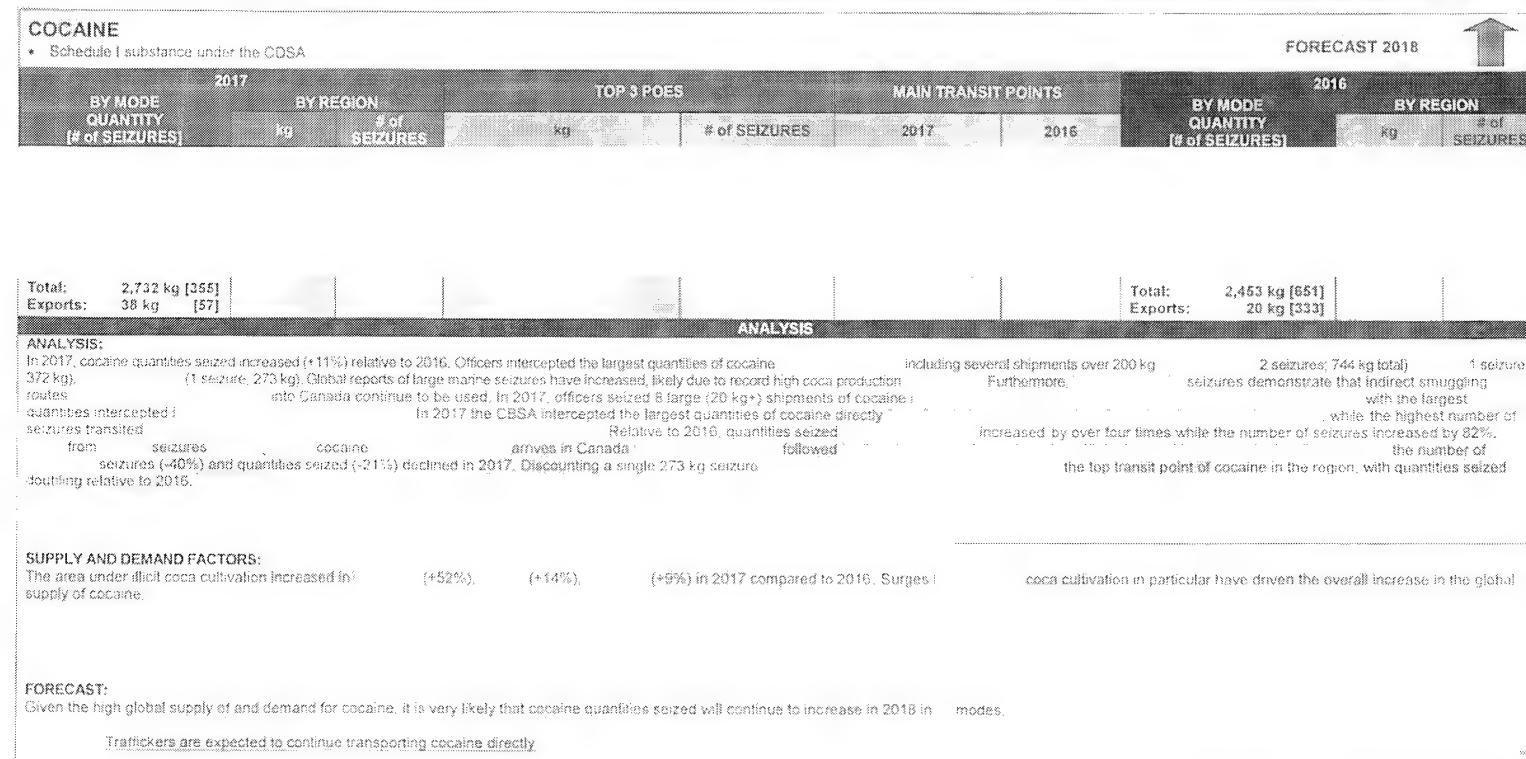
\*\* The Notes page includes abbreviations, time periods and additional information regarding the methodology.





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METHAMPHETAMINE										FORECAST 2018
2017										2016
BY MODE QUANTITY [# of SEIZURES]		BY REGION kg / dosage # of SEIZURES		TOP 3 POEs kg / dosage # of SEIZURES		MAIN TRANSIT POINTS 2017 2016		BY MODE QUANTITY [# of SEIZURES]		BY REGION kg / dosage # of SEIZURES
Total:	80 kg / 1,082 d [302]							Total:	133 kg / 1,176 d [684]	
Exports:	31 kg / 803 d [120]							Exports:	29 kg / 175 d [535]	
<b>ANALYSIS</b>										
In 2017, methamphetamine (meth) quantities seized declined (-39% kg / -7% doses) compared to 2016. The majority of meth seizures and quantities seized continue to be intercepted at the border, with rising numbers of meth seizures... was the top transit point of meth to Canada based on a 38 kg... seizure coming... increased meth production and given the shipments departure... whereby the majority of meth enters... Officers also intercepted 1.7 kg of meth... the second seizure on record... where meth is reportedly synthesized from precursors imported from... Meth export quantities have remained stable, while the number of seizures decreased (-7%) in 2017 relative to 2016. Canada is considered a key transit point of meth... the CBSA intercepted at least 6 export seizures of approximately 16 kg of meth (powder & crystal)... mainly departing the... In 2017, there are several records (5 seizures, over 7 kg) of outbound meth shipments... Organized criminal groups are likely involved in exporting meth to... a lucrative market where meth prices are estimated to be among the highest in the world, plus... strong ongoing demand.										
<b>SUPPLY AND DEMAND FACTORS:</b>										
Open-source information suggests... DCG's produce meth with precursors imported from... There is reportedly an oversupply of meth... based on the continued... for Drugs and Drug Addiction indicates that there is... supply of low-cost, high-purity meth available... and increased meth seizures at... Furthermore, the... evidence of meth production... however it is on a smaller scale than production of MDMA and amphetamines, as well as precursor conversion. The average size of a meth import from... is quite small (80 g), likely indicating that it is for personal consumption. While data on domestic meth use is scarce and limited to due sampling variability, available information suggests that domestic meth use has remained stable over the past several years. The bi-yearly Canadian Tobacco, Alcohol, and Drugs Survey noted that 0.2% of the general Canadian population had used speed/methyl/crystal meth in 2015, while 2.7% had used speed/meth/crystal meth at least once in their life. Similar numbers were observed in the 2013 survey with regard to use in the past year, however lifetime use was at 3% in 2013.										
FORECAST:	It is likely that officers will intercept increasing quantities of meth from... in 2018, based on the oversupply of meth... stable demand in Canada, and indirect transit routes... through... to... Traffickers will likely continue to send export shipments... via... modes.									

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### FORECAST 2018



## AMPHETAMINE

- Schedule I substance under the CDSA

2017				MAIN TRANSIT POINTS		2016			
BY MODE QUANTITY [<# OF SEIZURES]		BY REGION		TOP 3 POBS		BY MODE QUANTITY [<# OF SEIZURES]		BY REGION	
kg / dosage	# of seizures	kg / dosage	# of seizures	2017	2016	kg / dosage	# of seizures	kg / dosage	# of seizures
Total: 15 kg / 14,172 d [248]						Total: 40 kg / 1,999 d [211]			
Exports: <1 kg / 401 d [50]						Exports: <1kg / 543 d [29]			

### ANALYSIS

Amphetamine quantities seized have decreased significantly over the past year, with the majority of quantities seized predominantly due to an increase in this year's seizures continue this trend. Seizures large portion of seizures, but unlike seizures

continue to be the main transit points for inbound amphetamines. account for almost half of total quantities (44%), are in powder form and are typically seized they are predominantly in pill form.

The number of seizures have slightly increased compared to 2016, for synthetic drugs to Canada, and account for another

intercepted regulations or

The UNODC refers to '

The CBSA amphetamine seizures sold as a party drug for its MDMA-like effects that gradually transitions to amphetamine-type stimulants when ingested. Similar to other New Psychoactive Substances (NPS), their easy availability and low prices make this drug highly attractive to users. Of note, despite the CBSA seizing overall lesser quantities of amphetamines, amphetamine quantities in pill form have increased seven-fold compared to 2015 numbers. This trend is mostly driven by several single large seizures, a 10,665 dose, a 500 dose as one of the most established amphetamine markets worldwide, and includes

Seizures from continue to arrive a top amphetamine and MDMA producing country in that region. According to open source reporting, this compound is included misclassified designer drug, 4-fluoramphetamine, also known on the street as 4-FA, 4-FMP, Fifa or flux. According to open source reporting, this compound is highly attractive to users. Of note, despite the CBSA seizing overall lesser quantities of amphetamines, amphetamine quantities in pill form have increased seven-fold compared to 2015 numbers. This trend is mostly driven by several single large seizures, a 10,665 dose, a 500 dose between 110 and 180 doses. Open Source reporting indicates that

A smaller number of seizures are

Senders are likely unaware of Canadian imports

### SUPPLY AND DEMAND FACTORS:

The Canadian Tobacco Alcohol and Drugs 2015 summary states that the prevalence of the use of prescription stimulants among the general population (15 years and older) is 1%, remaining relatively stable since 2008. Users are most commonly individuals whose work requires prolonged periods without rest such as students, athletes and truck drivers. The decrease of seizure quantities in powdered amphetamine and increase of pill form seizures suggest that traditional amphetamine users in Canada have turned to pill form suppliers. This decrease also indicates that Canadian amphetamine consumers are moving to NPS that mimic the stimulant effects of amphetamines. Open Source reporting indicates that there is a large market for NPS with stimulant effects and the demand is increasing. This trend is also reflected in the CBSA's NPS seizures as the total number has doubled from 2016 to 2017 and NPS with stimulant effects constitute second largest type of NPS seized this year following hallucinogenic NPS.

### FORECAST:

It is unlikely that the number of 2018 amphetamine seizures will surpass 2017 values, as indicated by the similar number of amphetamine seizures from 2016 to 2017. Amphetamine quantities seized are likely to continue to decrease as more amphetamine consumers move towards NPS that mimic the effects of amphetamine. Amphetamine seizures are likely to arrive

It is also possible that the CBSA will see more amphetamine seizures

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### FORECAST 2018



BY MODE QUANTITY (# of SEIZURES)				TOP 3 POES		MAIN TRANSIT POINTS		BY MODE QUANTITY (# of SEIZURES)			
2017	BY REGION	# of SEIZURES	kg / dosage	2017	2016	2017	2016	2016	BY REGION	# of SEIZURES	kg / dosage
Total: 6 kg / 2,927 d [291]								Total: 5 kg / 2,569 d [368]			
Exports: 3 kg / 634 d [60]								Exports: 3 kg / 407 d [206]			

### ANALYSIS

**ANALYSIS:**  
 In 2017, MDMA (also known as ecstasy) quantities seized increased (+26% kg / +13% doses) compared to 2016. Discounting the 1 kg seizure stable, exports are mainly sent from CBSA. remains the top source country. All imports arrive in Canada size and method of arrival, it is likely that such MDMA shipments were purchased online or via the Dark web. According to the used for low to mid value sales, or sales directly to consumers as opposed to large volume sales. The drug supply and that stimulant drugs, including MDMA, represent the majority of MDMA seized – the largest MDMA seizure personal consumption.

- the largest inbound seizure this year - quantities seized remained . Similarly to 2016, the vast majority of MDMA smuggling occurs via with the average shipment being 21 doses/ 23 grams, which likely indicates personal consumption. Given the Dark web is primarily one of the most important countries with respect to Dark web drug sales. These findings are consistent with the CBSA's inbound seizures. Furthermore, was a top transit country this year also a key transit country, however the average amount seized is very small (1 gram/4 doses on average), likely signalling

**SUPPLY AND DEMAND FACTORS:**  
 continues to be the top transit country for MDMA to Canada. The number of Canadian users rising from 100,000 in 2014 to 200,000 in 2015. The bi-yearly Canadian Tobacco, Alcohol, and Drugs survey reports that 0.7% of Canadians aged 15+ used ecstasy at least once in 2015, while 6.2% of Canadians reported using ecstasy in their lifetime.

In terms of demand, the UNODC reported that demand for MDMA has increased in Canada in recent years, with the estimated

**FORECAST:**  
 Officers will likely intercept increasing quantities of MDMA through 2018, as demand for MDMA continues and as OCG's continue to illicitly manufacture MDMA encounter more large shipments directly; however the majority of shipments will likely continue to arrive in Canada in mode via in small quantities intended for personal consumption.

It is possible that officers will start to will also remain a top transit point, with the majority

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FORECAST 2018



## HASHISH

- Schedule I substance under the CDSA

2017

BY MODE QUANTITY (# of SEIZURES)		BY REGION		TOP 3 POEs		MAIN TRANSIT POINTS		2018	
kg	# of seizures	kg	# of seizures	kg	# of seizures	2017	2016	kg	# of seizures
Total: 273 kg [186]	1 kg [79]								

Total: 273 kg [186]  
Exports: 1 kg [79]

Total: 32 kg [813]  
Exports: 6 kg [530]

## ANALYSIS

In 2017, hashish quantities were approximately nine times higher than in 2016, largely due to a 211 kg seizure and is highly unusual as it is not a significant transit point for drug trafficking to Canada. Excluding this seizure, the highest quantities seized are and were destined

seizure mode (20%). The largest number of 2017 seizures has decreased, largely due to a smaller number

This seizure accounts for most of the quantities seized this year (77%) seizures were from (bricks of 33, 12 seizures). It is possible that seizures

have decreased due to a shift in user interest from traditional marijuana to concentrates like edibles, topicals or lotions, tinctures, capsules and patches.

The majority of seizures continue to occur at lower value (averaging 6 g a seizure) indicating that travellers are likely transporting hashish for personal consumption as opposed to trafficking. Most seizures are exports (74%), where the substance is illegal, such as

mode. Seizure quantities for and destined for

## SUPPLY AND DEMAND FACTORS:

The continuous large number of export seizures likely indicates domestic production of hashish in Canada. Organized crime groups in Canada both import and export hashish. Numerous Canadian based open-source sites offer to sell quality hashish, many believed to operate in the large seizure. The large inbound seizures demonstrate that the Canadian consumer market for hash is not satisfied solely with the domestic supply. It is likely that both the UNODC estimates that most of the cannabis resin found in the world. Other countries like are known to produce hashish on a smaller scale. The UNODC reports that cannabis use, including hashish, remains stable globally. Furthermore, continue to rank as top hashish shows signs of increases in consumption.

## FORECAST:

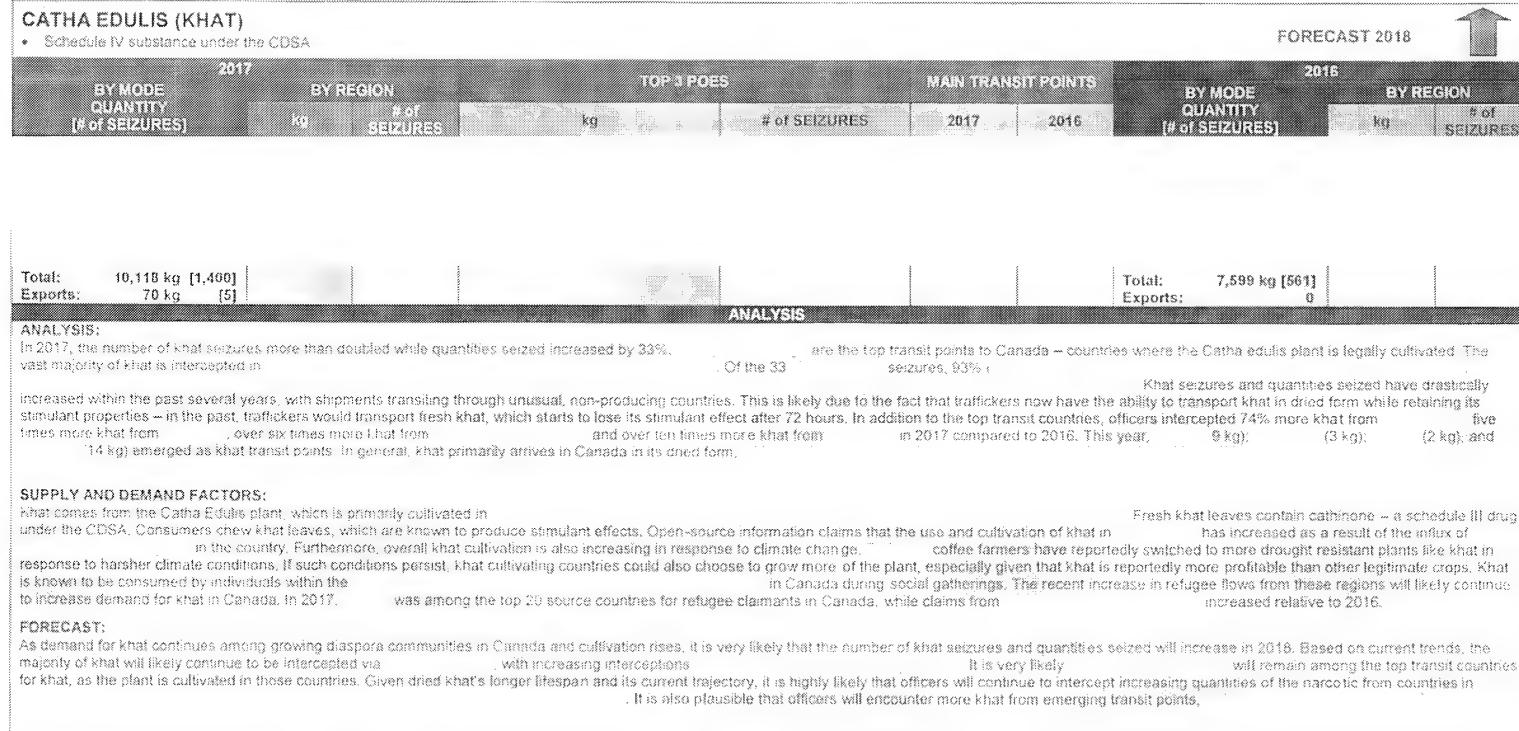
It is likely that the import of hashish will continue over the next year, despite the legalization of cannabis. Canadian consumers are likely to continue to seek more potent versions of hashish produced despite domestic availability. Furthermore, the number of hashish export seizures will likely increase over the next year. Canada's reputation as a source of quality cannabis is increasing and the legalization of recreational marijuana in Canada will likely make headlines worldwide, thereby attracting new buyers abroad. Canadian organized crime will likely continue to produce hashish for domestic and international sale. The legalization of recreational marijuana will likely result in an increased domestic supply of cannabis for purposes including hashish extraction. Individuals who have not previously been involved in cannabis trafficking could go beyond the allotted limits on cannabis plants to make a profit and organized crime will continue to export it abroad.

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MARIHUANA										FORECAST 2018	
											
2017		BY REGION		TOP 3 POES		MAIN TRANSIT POINTS		2016		BY REGION	
BY MODE QUANTITY (# of SEIZURES)	kg	# of	(3374)370	kg	# of SEIZURES	2017	2016	kg	# of SEIZURES	kg	# of SEIZURES
Total:	422 kg [4,900]							Total:	685 kg [8,428]		
Exports:	230 kg [1,614]							Exports:	364 kg [5,012]		
<b>ANALYSIS</b>											
<b>ANALYSIS:</b>											
Compared to 2016, marijuana quantities seized decreased by 38%. The decrease in quantities seized is mostly attributed to a very large 128 kg seizure from quantities seized. The majority of quantities seized continue to be intercepted trafficking (> 1 kg). Most of these seizures These shipments were mostly destined to crime activity in trafficking multiple types of contraband. These seizures were predominantly declared collectively constituting almost half of seizure quantities. The largest inbound seizures was 28 kg, intercepted in Other large seizures from include cannabis-related products like cannabis oils, foods or creams imported either via											
in 2016, which inflated the total 2016 Overall, most 2017 seizures were small in quantity. However, a small portion of seizures indicate where the substance is illegal or areas known for organized Similar to 2016, exports account for the majority of coupled with increase Canadian interest in the cannabis market in anticipation of the legalization of marijuana. For example, though CBD is legally produced and consumed in Canada for medicinal purposes, the amount of THC concentrations present in these products have specific legal limits. Canadian users are likely importing CBD to gain access to higher potency cannabis products, as they are permitted in certain states and readily sold online.											
<b>SUPPLY AND DEMAND FACTORS:</b>											
Canada has one of the highest cannabis consumption rates worldwide. The most recent findings of Statistics Canada determined that over 40% of Canadians admit to having used cannabis in their lifetime. Most of the marijuana consumed in Canada is likely domestically grown. The potency of Canadian cannabis products is reported on and discussed worldwide on online forums for illicit substances. OC networks are known to be heavily involved in cannabis cultivation and trafficking, as the domestic cultivation is a lucrative business both inside Canada and across borders. The types of cannabis-related products seized indicates an evolving demand in Canada. Based on the number of seizures, imported marijuana leaves are on the decline, while products infused with marijuana's active ingredients, cannabidiol (CBD) and THC, are increasing. Cannabis products are also the second largest category within the other controlled drugs. This is likely partly attributed to the legalization and subsequent diversification of cannabis-related products coupled with increase Canadian interest in the cannabis market in anticipation of the legalization of marijuana. For example, though CBD is legally produced and consumed in Canada for medicinal purposes, the amount of THC concentrations present in these products have specific legal limits. Canadian users are likely importing CBD to gain access to higher potency cannabis products, as they are permitted in certain states and readily sold online.											
<b>FORECAST:</b>											
Quantities seized of imported marijuana will likely decrease due to the rise in the domestic availability of the product following the planned legalization of recreational marijuana by the Canadian government in 2018. However, this legalization is unlikely to significantly reduce the number of seizures at the border, given that marijuana export numbers are high and likely to increase following the implementation of the policy. Travellers will likely cross the border with personal quantities unaware of the continued prohibition on the export and import of cannabis and related products without a valid permit. OC networks in Canada involved in cannabis trafficking are expected to continue to import and export cannabis-related products, but shift their focus to cannabis plants with THC concentrations beyond the legal limitations of locally produced cannabis, as well as cannabis concentrates. While the legalization of recreational marijuana is scheduled to occur in 2018, edibles, cannabis infused foods and drinks will only become legal in 2019. OC networks will also likely turn to other types of narcotics with higher profit margins.											

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## ANABOLIC STEROIDS

- Schedule IV substance under the CDSA

FORECAST 2018



2017		TOP 3 POEs			MAIN TRANSIT POINTS		2016		
BY MODE QUANTITY [# of SEIZURES]	kg / dosage	# of SEIZURES	kg / dosage	# of SEIZURES	2017	2016	BY MODE QUANTITY [# of SEIZURES]	kg / dosage	# of SEIZURES
Total: 245 kg / 95,713 d [817]							Total: 822 kg / 124,260 d [1,118]		
Exports: <1 kg / 5,698 d [82]							Exports: 4 kg / 6,759 d [27]		

## ANALYSIS

### ANALYSIS:

Overall, the quantity of anabolic steroids seized has decreased over the past year (by 70% for quantities in kilograms and 23% for doses). Steroid quantities likely decreased due to an inflation in 2016 as a result of three large seizures via [REDACTED] (of 465 kg, 108 kg and 48 kg). 2017 quantities comprised mostly [REDACTED] seizures and a single large 124 kg [REDACTED] seizure remain the top transit country for steroids. Two thirds of total quantities seized come from [REDACTED] and 20% of these seizures are over 1 kg, indicating likely intended for trafficking. These seizures are typically in powder form, declared

In comparison, only 2% of seizures from [REDACTED] indicate trafficking, despite having the largest number of seizures (35%).

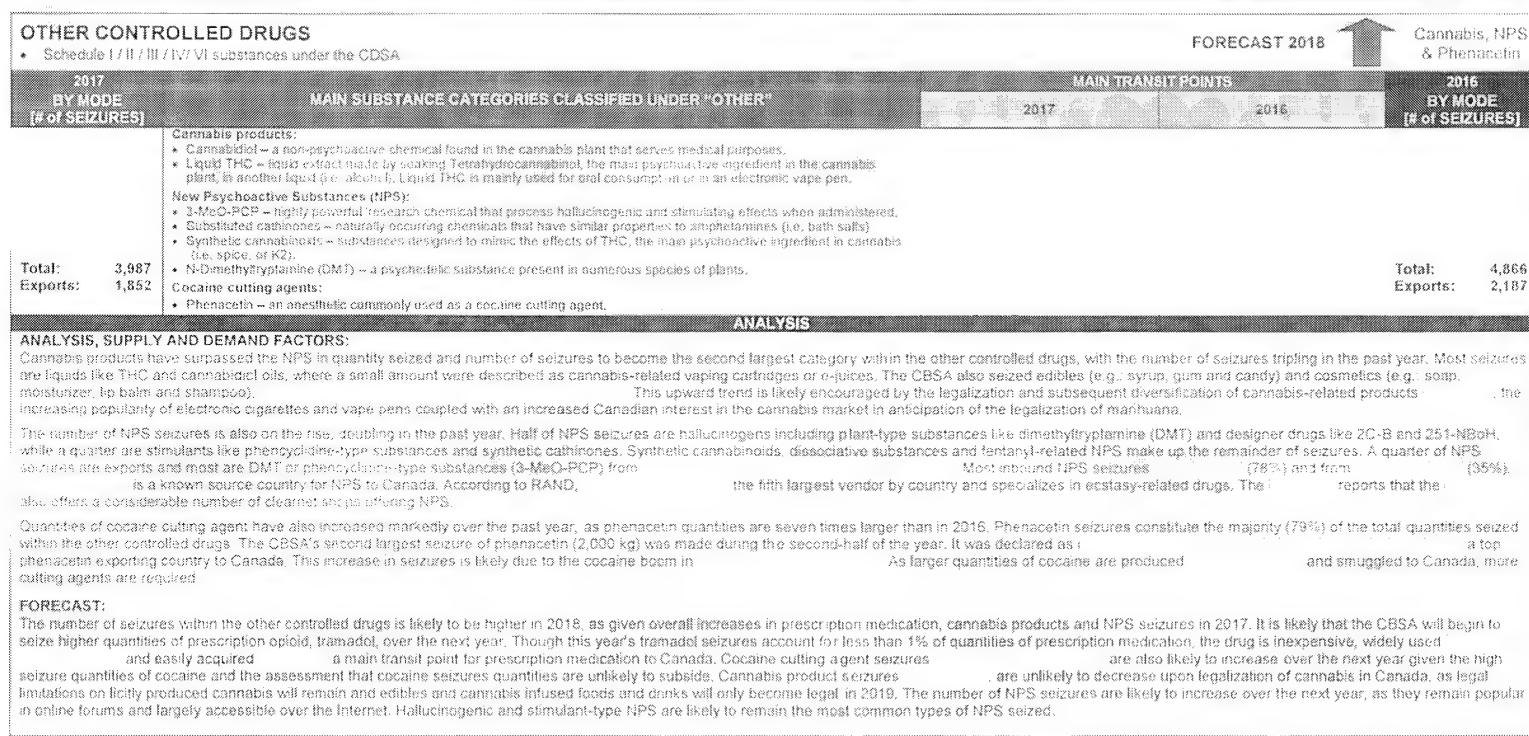
### SUPPLY AND DEMAND FACTORS:

[REDACTED] are considered the world's main supplier for steroids. However, the varying degrees of concealment within the larger seizures from steroid forums encourage users to order directly from any of the readily available shops on the clearing because steroid manufacture and export is legal. [REDACTED] However, recent enforcement action in [REDACTED] shows that raw materials are also ordered in bulk from [REDACTED] by Canadian and [REDACTED] steroid vendors, then processed into capsules and distributed to the Canadian and [REDACTED] market. These reports not only help explain why [REDACTED] is Canada's top transit country for number of seizures despite having smaller seizures quantities, it also helps explain the higher number, but smaller quantity, of exports to [REDACTED]. Online forums suggest that steroid users consider domestic shipments or smaller sized shipments from [REDACTED], more reliable than large shipments from [REDACTED].

### FORECAST:

It is highly likely that steroid seizures will remain varied, with larger powder seizures from [REDACTED] and smaller pill or liquid form seizures from [REDACTED]. Given that the total quantities seized are significantly impacted by a few single large seizures and that these types of seizures have occurred sporadically since 2010, it is difficult to forecast whether overall quantities will increase or decrease. However, the number of export seizures are likely to continue to increase, as Canadian vendors continue to import the raw products from [REDACTED] and distribute the processed form to Canadian [REDACTED] markets. Open source reporting indicates that designer steroids, compounds that have similar performance-enhancing effects as steroids but have been slightly modified to beat drug tests, are being manufactured. It is possible that these designer steroids are also being sold in Canada.

PRECURSOR CHEMICALS		FORECAST 2018	
2017 QUANTITY [# of SEIZURES]	QUANTITY and # of SEIZURES (Litres)	DRUGS MANUFACTURED WITH THE PRECURSORS SEIZED	2016 QUANTITY [# of SEIZURES]
Exports (Ephedrine): 25 kg/ 113,649 d (511)		<ul style="list-style-type: none"> <li>Methamphetamine/ Amphetamine:           <ul style="list-style-type: none"> <li>• Ephedrine</li> <li>• Pseudoephedrine</li> <li>• Hypophosphorous acid</li> <li>• Red phosphorus</li> </ul> </li> <li>Cocaine           <ul style="list-style-type: none"> <li>• Potassium permanganate</li> </ul> </li> <li>GHB           <ul style="list-style-type: none"> <li>• Gamma butyrolactone (GBL)</li> <li>• 1,4-butanediol (BDO)</li> </ul> </li> <li>Heroin           <ul style="list-style-type: none"> <li>• Acetic anhydride</li> </ul> </li> </ul>	 Ephedrine  Fentanyl & Cocaine Precursors
<b>ANALYSIS</b>			
<p><b>ANALYSIS:</b></p> <p>In 2017, the number of precursor seizures decreased (-46%) compared to 2016. Officers seized smaller quantities of potassium permanganate this year. This is likely due to the increased supply of finished cocaine product trafficked to Canada, which reduces the need for traffickers to import cocaine precursors. In May, officers seized 4,020 litres of MDP2P, an MDMA precursor. This was the largest seizure of MDP2P on record, and is consistent with fragmentary reporting of domestic MDMA production. The rise in ephedrine quantities seized – ephedrine quadrupled in powder form and almost doubled in pill form relative to 2016 – is largely due to an increase in exports, mainly departing . Ephedrine is popular in the body-building industry, however it is also used as a precursor to produce methamphetamine. Ephedrine exports are quite small (192 doses on average) and are mainly shipped in pill form. This likely indicates that exporters are targeting the body-building community, given that ephedrine pills would need to be crushed into powder in order to be used as a methamphetamine precursor. In 2017, the CBSA seized three shipments of fentanyl precursors, including one seizure of NPP (517 g) potentially yielding 350 grams of fentanyl, a single seizure of 4-ANPP (103.9 g), possibly yielding 98 grams of fentanyl, and one seizure of Propiromyl Chloride (1 L), which could have yielded 2 kg of fentanyl. Since 2010, officers have only intercepted a dozen shipments of fentanyl precursors (ANPP, NPP, 4-piperidone), with the largest shipment (50 kg of ANPP) originating in 2015.</p> <p><b>SUPPLY AND DEMAND FACTORS:</b></p> <p>Despite their controlled status, a range of precursor chemicals are easily attainable and available for online purchase in Canada. For example, ephedrine is easily purchasable online on nutrition or supplement store websites, and is often labelled as an oral nasal decongestant. Furthermore, open-source reports indicate that MDMA is produced in and trafficked . According to the UNODC, law enforcement have uncovered several MDMA production facilities in Canada within the past few years. The manufacturing of MDMA is reportedly concentrated . is the top source country for a variety of precursor chemicals - including BDO, GBL, ephedrine, hypophosphorous acid, NPP, and ANPP - destined to Canada and across the globe. is one of the world's top producers and exporters of precursor chemicals, which are largely exported for legitimate use, however precursors are continuously diverted by OCG's and manufactured in sophisticated yet illegal factories . is considered a prime source for precursor chemicals intended for illicit drug production .</p> <p><b>FORECAST:</b></p> <p>It is very likely that will remain the top transit country for precursor chemicals. It is expected that ephedrine exports will continue to rise, especially given the ease of purchase online in Canada and continued demand. It is unlikely that fentanyl precursor seizures will increase, given that fentanyl synthesis tends to happen abroad and that controlled 4-ANPP and NPP in February 2018. Inbound seizures of potassium permanganate are also expected to remain low, as traffickers continue to transport finished cocaine product to Canada. It is plausible that officers will seize another large shipment of MDP2P, given reports of domestic MDMA production.</p>			





## Drug Analysis Report (DAR) - Notes

The following report will provide statistical information on each of the main categories of drugs seized by the CBSA, coupled with trend analysis, examination of supply and demand factors as well as forecasts for 2018. All data was extracted from the Integrated Customs Enforcement System (ICES). The following is an explanation of some of the key terms used for each category of narcotics:

### Modes

- Air (P): air traveller/passenger stream at Canadian international airports,
- Air (C): commercial courier parcels arriving by air

### Regions

Atlantic (ATL)  
Quebec (QUE)  
Greater Toronto Area (GTA)  
Northern Ontario (NOP)  
Southern Ontario (SOR)  
Prairie (PRA)  
Pacific (PAC)

### Other Terms

Drug Enforcement Agency (DEA)  
Canadian Centre on Substance Abuse (CCSA)  
Controlled Drugs and Substances Act (CDSA)  
Centre for Addiction and Mental Health (CAMH)  
Port of Entry (POE)  
United Nations Office on Drugs and Crime (UNODC)  
New Psychoactive Substances (NPS)  
Amphetamine Type Substances (ATS)  
Lester B. Pearson International Airport (LPPIA)  
Pierre Elliott Trudeau International Airport (PTI)  
Kilograms (kg)  
Grams (g)  
Doses (d)  
Litres (L)

### Main Transit Points

Ranking criteria: 1) largest quantities seized from a country; 2) largest quantities and highest number of seizures; and 3) highest number of seizures.

### Time Periods

Mid-Year 2017 - January 1 to June 30, 2017  
2016 - January 1 to December 31, 2016  
2017 - January 1 to December 31, 2017

### Information Regarding DAR Data

Information for this report was retrieved from ICES for the period of January 1st, 2017 to June 30<sup>th</sup>, 2017. Data was pulled over the period of July 3<sup>rd</sup> to the 15th, 2017. Subsequent changes to 2017 data in the system were not captured.

For the purposes of this report, countries found in the "Transit" category may also be origin countries in some instances. The lists are based on ICES point of origin.

Résidue seizures were not counted towards total numbers.

Modes were determined based on the POE. For POEs where the mode was unclear, closer analysis was done in order to determine in which mode the narcotics were seized.

Air commercial mode includes courier parcels as well as other commercial cargo, including all seizures listed under the "Cargo" section of airports in ICES.

Outbound drug seizures are included in total numbers and referred to as "exports".

Methamphetamine numbers include methamphetamine seized in powder and crystal form.

All original units of measure are referenced as reported in ICES.

Reporting on fentanyl was done in grams on the fentanyl page, given that shipments are usually reported in grams due to the high potency of the narcotic.

This report uses the NPS definition as set out by the UNODC. Some of these substances have similar effects to drugs under international control such as cannabis, cocaine, heroin, LSD, MDMA and methamphetamine. The term NPS does not refer to substances that are "new", but to substances that are not controlled by the 1961 Single Convention on Narcotic Drugs or the 1971 Convention on Psychotropic Substances, and may pose a public health threat.

Prepared by: M.P., V.S. and MFL  
Current Intelligence and Analysis Section

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YEAR-END 2017 DRUG ANALYSIS REPORT (DAR)  
ENFORCEMENT & INTELLIGENCE OPERATIONS DIRECTORATE

## KEY TRENDS

- The CBSA seized lower quantities of heroin in 2017 compared to 2016, while the largest quantities of heroin continue to be trafficked to Canada from
- Officers seized higher quantities of cocaine in 2017 compared to 2016, which is likely attributed to record high levels of coca bush cultivation in while the highest number of seizures passed through the
- While the number of fentanyl seizures remained stable in 2017, the number of export seizures increased and were primarily destined to Canada. Fentanyl is primarily shipped in the modes,
- In 2017, traffickers transported higher quantities of narcotics to Canada via the MDMA.

The largest quantities of cocaine transited through the

This likely indicates the presence of online vendors operating in

modes, including cocaine, heroin, opium, meth, hashish, phenacetin, and MDP2P, a precursor for

The global supply of **cocaine** is increasing as illicit coca bush cultivation hits record high levels in

Rising quantities of cocaine are reaching Canada given high demand and surges in global supply.

## FENTANYL

## COUNTRY SPOTLIGHT

## 9 NEW FENTANYL ANALOGUES were seized in 2017.

The largest fentanyl seizures (+200 g) were usually of non-controlled analogues in Once the analogues were regulated, the quantity seized per shipment dropped considerably. Clandestine labs continue to create unregulated variants of fentanyl to meet demand.

**POWDER:** Quantities decreased by half. **PATCH:** Quantities increased from 31 to at least 600 in 2017.  
Source Countries:

cocaine production increases in transport cocaine to Canada via

traffickers will likely continue to

DRUG	2017 Quantities	2016 Quantities
Opium & Heroin	465 kg	557 kg
Fentanyl	11,952 g >683 d	20,670 g 193 d
Cocaine	2,732 kg	2,453 kg
Methamphetamine	80 kg	133 kg
Amphetamine	15 kg	40 kg
MDMA	6 kg	5 kg
Hashish & Marihuana	695 kg	717 kg
Khat	10,118 kg	7,590 kg
Steroids	245 kg	822 kg
Precursor Chemicals	138 kg 4,946 L 118,399 d	17 kg 4,165 L 131,854 d

Top POE by Commodity by Quantity			
Commodity	#1	#2	#3
Fentanyl			
Cocaine			
Heroin			
Meth			

## HEROIN ROUTING TO CANADA

Most heroin in Canada is produced in arriving in the country via the

## KEY MODE HIGHLIGHT

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BOTTOM LINE

- Cocaine, fentanyl, methamphetamine, heroin and opium will likely remain the key threats of 2018 with significant quantities arriving via
  - Cocaine will likely continue to arrive from
    - Fentanyl will likely predominantly arrive from
  - Opium and heroin are expected to arrive via
  - Methamphetamine is expected via
- New transit routes for fentanyl and heroin may emerge over 2018.
- Seizures of marihuana products such as edibles and cosmetics are expected to become more frequent during the second half of 2018 following the legalization of recreational marihuana.
- Quantities of cocaine cutting agents, NPS and MDMA are expected to increase while seizures of amphetamines and precursors for fentanyl and cocaine will likely remain low.

Key routing:

FORECAST

Modes, Transit Points and POEs

Relevant Canadian Trends



- Higher Canadian consumption rates are increasing with cocaine production.
- The increasing number of overdoses and deaths caused by opioids is a national public health crisis and a top priority for the Government of Canada.
- OMGs continue to have a prominent presence in Canada's drug markets.
- Hallucinogenic and stimulant-type NPS were the most common types of NPS seized in 2017. This trend will likely continue in 2018.
- Marihuana concentrates (like edibles and cosmetics) are gaining popularity in Canada. This trend will likely continue in 2018.

TO WATCH: Trends Worldwide

COCAINE (INCREASE)

FENTANYL (STABLE)

HEROIN (STABLE)

OPIUM (INCREASE)

METHAMPHETAMINE (INCREASE)

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Canada Border  
Services Agency

Agence des services  
frontaliers du Canada

PROTECTED A

# Drug Analysis Report (DAR)

## Year-End 2018 (January to December)

Current Intelligence and Analysis Section  
Intelligence Operations and Analysis Division  
Enforcement and Intelligence Operations Directorate



PROTECTION • SERVICE • INTEGRITY

Canada



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\*\* The Notes page includes abbreviations, time periods and additional information regarding the methodology.

## YEAR-END 2018 DRUG ANALYSIS REPORT (DAR)

ENFORCEMENT &amp; INTELLIGENCE OPERATIONS DIRECTORATE

Canada Border Services Agency Agence des services frontaliers du Canada

PROTECTED A

**HIGHLIGHTS**

- Inbound methamphetamine quantities seized rose by 333% this year relative to 2017, amid increasing domestic consumption. While a portion of the drug is likely produced domestically based on continued precursor seizures, domestic availability of precursors, and recent clandestine lab discoveries, the largest methamphetamine imports have displayed probable links—the site of rising methamphetamine production.
- Cocaine quantities seized decreased by 59% relative to 2017, despite rises in domestic demand and increasing levels of coca cultivation—key source countries of cocaine to Canada.
- The majority of inbound marihuana volumes were interdicted pre-legalization, however large marihuana imports (+17kg) are continuing post-legalization. This is likely partly due to domestic supply shortages. Users continue to import cannabis products that are still illegal for domestic sale, including edibles and concentrates. Post-legalization marihuana export volumes are rising relative to pre-legalization and 2017 figures.
- Fentanyl(s) quantities seized decreased this year (-64%) relative to 2017, although the number of fentanyl precursor seizures rose by 133%, potentially yielding multiple kilograms of the drug. Opioid related deaths in Canada involving fentanyl(s) continue to occur at high levels. Heroin (-11%) and opium (-28%) seizure volumes also diminished in 2018 compared to 2017, despite high levels of opium cultivation.



While seizure quantities decreased, partner agencies seized multiple loads of cocaine en route to Canada.

COCAINE

## TOP MODES, QTY &amp; TRANSIT COUNTRIES

The [redacted] was the top cocaine trafficking region to Canada in 2018. This trend is likely partly due to [redacted], which contributed to increasing trafficking activity in the [redacted].



**Methamphetamine quantities seized sharply rose**, primarily due to an increase in shipments with probable links to

## METHAMPHETAMINE

continue to produce large quantities of crystal methamphetamine.

A portion of shipments linked to [redacted] are likely further transshipped through Canada and due to high profits attained in the region.

## TOP TRANSIT COUNTRIES BY QTY / SEIZURE #

Fentanyl	(3246 g/ 333 d)	Centre (503 g)	Traffic (191 g)
Precursors	— 107 kg/ 141 L/ 16		
Cocaine	(34 / kg)	(18 / kg)	(15 / kg)
Methamphetamine	— 190 kg/ 67		
Heroin	(41 kg)	(38 kg)	(29 kg)
Meth	(129 kg)	(105 kg)	(64 kg)

Top POE by Quantity

Fentanyl(s) powder— 1,021 g/ 9 Fentanyl(s) powder— 549 g/ 3  
Precursors — 107 kg/ 141 L/ 16 Precursors — 3,575 L/ 6

Methamphetamine—190 kg/ 67 Cocaine—188 kg/ 91

Cannabis Products—234 kg/ 99,550 d/ 6,154

Fentanyl(s)—334 patches/ 1 blotter / 3 MDMA—4 kg/ 6855 d/ 722  
Methamphetamine—3 kg/ 368 NPS—10 kg/ 443 d/ 96

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**Marihuana is the most widely used drug across the globe**

In 2018, dried cannabis (marihuana) was the most commonly exported form of cannabis

## 2018 EXPORTS OF DRIED CANNABIS

Pre-Legalization (Jan 1—Oct 17): 675 kg

Post-Legalization (Oct 18—Dec 31): 366 kg

## 2018 EXPORT DESTINATIONS (+1kg)

DRUG	Year-End 2018 Quantities	Year-End 2017 Quantities
Opium & Heroin	358 kg	465 kg
Fentanyl	4,263 g/ 368 d	>683 d
Cocaine	1,117 kg	2,732 kg
Methamphetamine	344 kg/ 381 d	80 kg/ 1,092 d
Amphetamine	12 kg/ 2,965 d	15 kg/ 14,172 d
MDMA	20 kg/ 7,487 d	6 kg/ 2,297 d
Cannabis	2,230 kg / 112, 687 d	695 kg
Khat	1,067 kg	10,118 kg
Precursor Chemicals	109 kg 2,754 L 124,229 d	138 kg 4,946 L 118,399 d

## QTY of IMPORTS ↓ EXPORTS ↓

The decrease in inbound quantities seized is likely due to lower production

Officers seized 7 new analogues in 2018

Exports were mainly of blotters, and likely from Dark web purchases.  
Export Destinations:

## FENTANYL

## QTY of HEROIN ↓ OPIUM ↓

The majority of heroin and opium in Canada likely originates in [redacted] and the [redacted]

Opium cultivation remains at record levels with traffickers capable of exporting 250-300 tons of heroin to markets abroad.

Top opium transit routes:

Top heroin transit routes:





**TOP LINE**

- Inbound quantities seized of cocaine, methamphetamine, MDMA, NPS, cannabis edibles and concentrates will likely rise in 2019, while volumes of fentanyl and opium will likely remain stable, and heroin will probably decrease.
- Outbound seizure volumes of marihuana (+1 kg) are expected to increase and modes, destined to markets where the drug remains illegal, including modes, due to high profits attained in those regions. OCGs will likely continue to export medium quantities (+3 kg) of methamphetamine to markets in
- The fentanyl landscape is evolving, with production capabilities likely expanding beyond to other countries which will result in different transit routes to Canada. Traffickers are also using new methods of packaging fentanyl(s),
- In 2019, traffickers and OCGs will likely transport drugs to Canada using the following concealment methods and modus operandi, many of which are cyclical in nature and differ by mode:

**BOTTOM LINE**

**FORECAST**

**GLOBAL HOT SPOTS TO MONITOR**

**FACTORS IMPACTING CANADIAN MARKET**

- The Government of Canada intends to legalize cannabis edibles and concentrates for domestic sale in late 2019.
- Varying provincial regulations regarding the location, price, and age of cannabis sale provide opportunities for OCG exploitation, differing by province.
- Domestic use of cocaine and methamphetamine is rising, while opioid-related overdose deaths involving fentanyl(s) continue to occur at high levels. These factors signal continued demand for such drugs.
- The Internet and the Dark web play a key role in facilitating drug transactions, due to the anonymity afforded to consumers and vendors.
- New Psychoactive Substances continue to emerge.

COCAINE: INCREASE

METHAMPHETAMINE: INCREASE

CANNABIS: INBOUND INCREASE

FENTANYL: STABLE

OPIUM: STABLE

HEROIN: DECREASE

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FENTANYL										FORECAST 2019								
Year-End 2018					TOP 3 POES					MAIN TRANSIT POINTS				Year-End 2017				
BY MODE			BY REGION		G / Dosage			# of SEIZURES		2018		2017		BY MODE			BY REGION	
G	D/L	#	G	D/L	#	G	D/L	#	G	2018	2017	G	D	#	G	D	#	

## ANALYSIS

### ANALYSIS:

The number of fentanyl seizures decreased by 69% compared to 2017 while the quantity seized also declined by 64%. The reduction in imported fentanyl quantities is likely attributed to lower levels of domestic production due to increased regulation changes, a clampdown by law enforcement, and new, innovative concealment methods and transit points used by traffickers. \_\_\_\_\_ remains the primary source/transit country of fentanyl powder accounting for 64% of fentanyl powders entering Canada. The \_\_\_\_\_ is the primary source/transit country for fentanyl patches. Despite a decrease in seizure numbers and quantities, the CBSA encountered seven new fentanyl analogues in 2018, revealing that traffickers are continuing to bypass \_\_\_\_\_ regulations and law enforcement efforts. The number of seizures via the \_\_\_\_\_ streams amounted to 71% of fentanyl seizures in 2018 with \_\_\_\_\_ as the most common final destination totalling 37% and 18% respectively. Export quantities seized decreased by 51% compared to 2017. \_\_\_\_\_ Exports were mainly seized at the Canada-based fentanyl traffickers

### SUPPLY AND DEMAND FACTORS:

In 2018, \_\_\_\_\_ announced its intention to classify the entire category of fentanyl-type analogues as controlled substances, as opposed to scheduling analogues individually. These new regulations and law enforcement actions will likely force suppliers to explore innovative concealment methods and transit routes or to relocate their production sites to countries with weak law enforcement and established production facilities for other drugs. \_\_\_\_\_ OCGs are reportedly expanding to and diversifying drug production in \_\_\_\_\_ - a region with established opium cultivation and methamphetamine production capabilities and existing trafficking routes, which could emerge as a hub for synthetic opioids such as fentanyl. OCGs will likely seek to exploit \_\_\_\_\_ pharmaceutical and chemical industry and produce illicit substances.

Despite a reduction in fentanyl seizure numbers and quantities, opioid-related deaths in Canada are trending to equal similar death tolls as 2017, with 2,066 deaths between January and June 2018, 68% of which were accidental involving fentanyl(s).

### FORECAST:

Seizure quantities are expected to remain stable in 2019 due to continued domestic demand and until suppliers in \_\_\_\_\_ adapt to the recent announcement to designate fentanyl as a controlled substance. There is a high likelihood of fentanyl and fentanyl precursors originating from \_\_\_\_\_ increasing threat of diversion for illicit purposes, and traffickers shifting production locations due to \_\_\_\_\_ clampdown on fentanyl production. It is also plausible that officers will increasingly encounter fentanyl(s) from \_\_\_\_\_ in the \_\_\_\_\_ modes, based on previous fentanyl trafficking activity from \_\_\_\_\_ and neighbouring \_\_\_\_\_ potential role as a fentanyl synthesis hub. OCGs will likely continue shifting their operations around fentanyl, especially given its increasing popularity, availability, and profitability in North America. \_\_\_\_\_ are the two major sources of fentanyl that enter \_\_\_\_\_ It is likely that \_\_\_\_\_ OCGs will use established \_\_\_\_\_ node cocaine trafficking routes to traffic fentanyl into Canada.

**COCAINE****FORECAST 2019**

Year-End 2018				TOP 3 POES		MAIN TRANSIT POINTS		Year-End 2017			
BY MODE		BY REGION		KG	#	KG	# of SEIZURES	2018	2017	KG	#
KG	#	KG	#								

**ANALYSIS****ANALYSIS:**

In 2018, cocaine seizure quantities significantly dropped (-59%) relative to 2017. This decrease is partly due to three large marine seizures in 2017 amounting to 1,059 kg of cocaine from . seized several cocaine shipments en route to Canada, including roughly 1,500 kg . These loads were likely travelling towards year, totalling 187 kg.

region to Canada this year, with 53% of total cocaine quantities seized arriving from the region, compared to the continue to rise. OCGs are increasingly trafficking cocaine through , departing from final shipment. The is the top transit country of cocaine to Canada this year, compared to , largely modes. The CBSA has not seized significant quantities of cocaine (1 kg+) from either country since 2016.

**SUPPLY AND DEMAND:**  
According to the UNODC, the area under coca cultivation increased in Despite rising cultivation and inbound seizures from cultivation

(25%). I (4%). The CBSA's seizures with a probable

before in 2017. Volumes seized from less common countries also rose since 2016, including Officers also seized cocaine directly from (6 kg) via and neighbouring also remains a top transit country of cocaine to Canada.

is the top trafficking and

in the same time period. Rising

**FORECAST**

Cocaine quantities seized will likely increase in 2019 based on rising domestic use and global supply of the drug. Sizable departing from will likely remain the top trafficking region to Canada via and increasing organized crime and drug trafficking activity in seizures are likely in regions, based on previous seizures in these regions.

Past-year use of cocaine in Canada rose from 1% in 2015 to 2% in 2017.

shipments will probably be trafficked to Canada into the primarily modes. This is likely based on high levels of coca cultivation in – the site of increasing OCG and commercial activity. Large

**HEROIN****FORECAST 2019**

Year-End 2018				TOP 3 POES		MAIN TRANSIT POINTS		Year-End 2017			
BY MODE		BY REGION		KG	#	KG	# of SEIZURES	2018	2017	KG	#
KG	#	KG	#	KG		2018		KG	#	KG	#

**ANALYSIS****ANALYSIS:**

In 2018, the number of heroin interdictions increased (58%) however seizure quantities decreased (-11%) relative to 2017, a trend observed since 2014 coinciding with the rise of the opioid crisis in Canada. Heroin seizure quantities were highest in the originating from mode. recorded the highest seizure numbers, primarily originating from mode, while the largest seizures (1 kg+) were from nodes. The top heroin transit points to Canada by quantity include countries along heroin trafficking, including route was used to a lesser extent but included the largest heroin seizure quantity originating from 41kg followed by 14kg. The reduction in total heroin quantities seized is partly attributed to the decrease in seizure volumes originating from (-34%) and (-27%)- a trend observed since 2015. The most significant decrease in seizures numbers and seizure quantities were those from which saw a reduction of 94% compared to 2017.

This is supported by the increase in CBSA heroin seizures originating from which emerged as primary transit countries to Canada with combined seizure quantities increased by 256% in 2018 compared to 2017. The continue to record the highest number of seizures in mode (84%) with quantities 35g or less, likely for recreational use and purchased online. Heroin exports seizure numbers and quantities decreased by 38% and 75% respectively compared to 2017, with the majority at 20g or less indicating personal use. Numerous reports of domestic seizures have shown increasing use of fentanyl mixed with heroin as the two drugs provide similar effects, increased potency and increased profits for OCG's. In June 2018, two individuals were charged in connection with a clandestine laboratory in Burnaby, BC,

**SUPPLY AND DEMAND FACTORS:**

heroin continues to dominate the Canadian market. Despite decreases in opium cultivation in 2018 relative to 2017, the UNODC estimates that traffickers are still capable of producing 250 to 300 tons of heroin for export. DEA reporting indicates that heroin production grew by 37% in 2017 and remains the primary source of heroin (increasingly mixed with fentanyl) to an expanding user population in the U.S. Although the CBSA has limited seizures of heroin from or with links to OCGs, there were a few heroin seizures in the U.S., likely pointing to OCGs attempts to smuggle heroin to Canada. In August 2018, a joint operation in Toronto resulted in multiple arrests and drug seizures, including 7 kg of heroin which were brought from the U.S. into Canada in tractor trailers. In September 2018, a Canadian truck driver was arrested in Michigan and reportedly admitted that he was directed to smuggle 1 kg of heroin and 41 kg of cocaine from the U.S. to Canada. High levels of heroin production incentivize OCGs to further export to Canadian markets.

**FORECAST:**

The global supply of heroin is expected to continue rising but heroin quantities seized in Canada will likely slightly decrease, based on continuous decreases in the amount seized since 2014. OCGs will probably continue lacing heroin with fentanyl to maintain potency while increasing profits. It is plausible that officers will encounter heroin via existing methamphetamine and cocaine trafficking routes due to high levels of opium cultivation and increased heroin production in compared to previous years. Officers are expected to encounter heroin shipments from known transit countries of which the CBSA had a significant increase in seizure quantities compared to 2017. Officers can expect see an increase in shipments of heroin from the with amounts consistent with personal use.



OPIUM								FORECAST 2019	
Year-End 2018		BY REGION		TOP 3 POES		MAIN TRANSIT POINTS		Year-End 2017	
BY MODE	KG	KG	#	KG	# of SEIZURES	2018	2017	BY MODE	KG

### ANALYSIS

#### ANALYSIS:

In 2018, total opium quantities seized decreased (-29%) relative to 2017. This decrease is partly attributed to a 96 kg marine seizure of opium from [REDACTED] in 2017. The CBSA has seized a single [REDACTED] shipment of opium (45 kg+) from [REDACTED] each year since 2015 at the Vancouver [REDACTED] POE, although officers did not encounter a consignment in 2018. [REDACTED] remains a major transit route of [REDACTED] opium to markets abroad, while [REDACTED] opium cultivation continues at record levels. [REDACTED] has become the top transit point of opium to Canada this year, with quantities seized increasing by more than six times compared to 2017, mainly arriving via modes. [REDACTED] is a consistent transit point of [REDACTED] opiates to Canada, although the amount seized varies annually. Domestic opium and heroin seizures are reportedly rising in [REDACTED] likely indicating that increasing amounts of opiates are flowing through the country. High levels of [REDACTED] opium cultivation have likely led to decreases in global prices of opium. Currency devaluations in [REDACTED] also likely further enabled traffickers to purchase more opium at lower costs. Of the 145 kg of opium seized via [REDACTED] in 2018, 61% was seized from July to September 2018 – the time period of significant decreases in the value of the [REDACTED]

#### SUPPLY AND DEMAND FACTORS:

In 2017 and 2018, levels of opium cultivation differed in major global opium producing countries including [REDACTED]. [REDACTED] 2018 UNODC estimates reveal a decrease (-20%) in the total area under opium cultivation in [REDACTED], however cultivation levels are still the second highest ever recorded. The UNODC also estimates that opium production in [REDACTED] decreased in 2018 compared to 2017, with cultivation concentrated in the [REDACTED]. The continuous decrease in cultivation is likely partly attributed to a regional shift to synthetic drugs, particularly methamphetamine, in [REDACTED] drug market. In 2017, illicit opium cultivation also rose by 38% in [REDACTED] relative to 2016. [REDACTED] is also exploring nationally decriminalizing opium production.

[REDACTED] There are no recent estimates of Canadian consumption of opium, however the CBSA has seized an average of 296 kg per year since 2010. These large seizure quantities are an indicator of an established domestic opium market and stable opium consumption, especially given low outbound seizure numbers and quantities.

#### FORECAST:

Opium quantities seized will likely remain stable in 2019, based on consistent demand and high levels of cultivation in [REDACTED] – the main source of opium in Canada. It is very likely that [REDACTED] will remain top opium transit countries to Canada, while various countries situated along the " [REDACTED]" including the [REDACTED] will likely emerge as infrequent transit countries, primarily via [REDACTED] modes. Officers should not discount the possibility of encountering a large [REDACTED] opium shipment from [REDACTED] based on previous year trends, opium cultivation in [REDACTED] consistent role as a transit country. It is unlikely that [REDACTED] legislative developments in [REDACTED] will significantly affect the Canadian opium market, given that the vast majority of opium in Canada is sourced from [REDACTED] OCGs reportedly convert opium into heroin for further export.

**METHAMPHETAMINE****FORECAST 2019**

Year-End 2018				TOP 3 POES				MAIN TRANSIT POINTS		Year-End 2017				
BY MODE		BY REGION		KG / dosage		# of SEIZURES	2018	2017	BY MODE		BY REGION			
KG	D	#	KG	D	#				KG	D	#	KG	D	#

**ANALYSIS****ANALYSIS:**

In 2018, methamphetamine quantities seized increased (+330%) in kilograms and decreased by 65% in doses (pills) relative to 2017. The rise in seizure quantities is primarily due to several large seizures with a probable Organized Crime Groups (OCGs), based on their large-scale production of the drug, seizure quantities, concealment methods consistent with OCGs, and transit routes into Canada. In 2018, the top transit countries to Canada by quantity include (55%) and (30%), the latter of which is also a source country. The CBSA encountered two sizable seizures at Pacific (PAC) Highway (129 kg) in 2018, both arriving from California. Since 2014, main entry point for sizable methamphetamine shipments into Canada, arriving : status as a top transit/source

country this year is largely due to a 105 kg seizure of crystal methamphetamine in three suitcases at Pearson Airport from Puerto Vallarta, Jalisco – and global seizures often originate. The also remains a key transit country, by seizure number (64%); the drug is primarily transported via mode

**SUPPLY AND DEMAND FACTORS:**

OCGs continue to produce cheap, pure crystal methamphetamine, with precursors reportedly imported from . OCGs are likely driven by increasing demand for the drug in North America, and the intent to offset profit losses due to decreasing marihuana sales. A portion of methamphetamine in Canada is produced domestically, given continued precursor seizures, domestic availability of precursor chemicals, and recent clandestine lab discoveries; however a significant amount of methamphetamine in Canada is also likely produced and supplied by JCGs. A shift towards synthetic drugs, particularly methamphetamine (crystal and tablet) is occurring in with production concentrated in . Several indicators – including rising domestic seizures, hospital visits and violent crime linked to methamphetamine, and declining domestic prices – signal an increase in domestic use of the drug, primarily in Western Canada. Health Canada has reported that fentanyl has been found mixed with methamphetamine, although the extent and location of the mixture are intelligence gaps.

**FORECAST:**

Methamphetamine quantities seized are expected to increase in 2019, based on competition among OCGs seeking to expand their consumer base, increasing supply, and high demand in Canada.

Small seizures will likely continue via the while exports will continue to be destined to based on high profit margins attained in the region. It is plausible that the CBSA will start to encounter the drug via cargo modes, although the probability is low as OCGs in the region are targeting markets in



METHYLENEDIOXYMETHAMPHETAMINE (MDMA)												FORECAST 2019					
Year-End 2018			BY REGION			TOP 3 POES			MAIN TRANSIT POINTS			Year-End 2017			BY REGION		
BY MODE		KG	D	#	KG	D	#	KG / dosage	# of SEIZURES	2018	2017	KG	D	#	KG	D	#

## ANALYSIS

### ANALYSIS:

In 2018, MDMA (also known as ecstasy) quantities seized more than doubled in both powder and pill form relative to 2017. The significant increase in quantities seized is largely attributed to two seizures discounted these two seizures, MDMA quantities seized in powder form remain stable relative to 2017, however seizure quantities in doses more than doubled. MDMA imports are primarily trafficked to Canada in the mode into in quantities averaging 59 grams/16 doses per seizure. These amounts are likely indicative of personal consumption or small-scale trafficking. Of the six outbound seizures weighing over 100 grams/doses, which likely indicate trafficking, three were destined to the , two to , and one to . Outbound seizure trends are inconsistent with DEA reporting, which notes that Organized Crime Groups in Canada and the U.S. are collaborating to import MDMA into the U.S. via Canada. In 2018, the top transit countries of MDMA to Canada include (by quantity), the (by number of seizures, and quantity), and the (by number of seizures). The are consistently top transit countries of MDMA to Canada, however the volume of MDMA seized via fluctuates annually. Globally, is a transit country of MDMA to markets abroad, largely due to its geographic position – both of which are key synthetic drug production and transit hubs in . According to the Monitoring Centre for Drugs and Drug Addiction (MCDDA), domestic production of synthetic stimulants in increased from 2010 to 2012, however the number of dismantled laboratories has consistently decreased in recent years.

### SUPPLY AND DEMAND FACTORS:

The remains a key source and transit country of MDMA to Canada, with the drug either produced domestically or imported from before being exported to Canada. Authorities have reportedly encountered increasing numbers of clandestine labs producing amphetamines and MDMA, as well as storage and dumping sites for chemicals used to produce such synthetic drugs. A considerable number of Dark web vendors reportedly operate in the likely explaining the CBSA's consistent interception of MDMA postal seizures from the country, with similar Modus Operandi.

Despite the unusual combination based on different effects upon consumption, open-source reports note instances of fentanyl and MDMA mixed together. While the CBSA lab has not encountered this mixture, Health Canada has identified several samples showing this blend, likely indicating that traffickers are mixing both substances domestically. According to the DEA, synthetic cathinones, a type of New Psychoactive Substance (NPS), are often disguised and/or sold as MDMA for use at raves or electronic dance festivals. Young adults - the demographic of individuals most likely to attend such events - are vulnerable to unintentionally consume synthetic cathinones while seeking to consume MDMA. Canadian survey data reveals that there was no change in the prevalence of MDMA/ecstasy use in 2017; usage remained stable, with 1% of the population reporting past-year use.

### FORECAST:

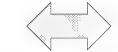
MDMA quantities seized will likely increase in 2019 based on the continued rise in seizure quantities since 2015, consistent Canadian demand, and available supply. The mode will likely continue to be the primary method used to traffic MDMA to Canada due to the anonymity, prevalence of online and Dark web sales, and ease of transport offered by this mode. It is very likely that the by seizure number and quantity. Large seizures from neighbouring particularly are also likely.

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## AMPHETAMINE

FORECAST 2019



Year-End 2018						TOP 3 POES			MAIN TRANSIT POINTS			Year-End 2017					
BY MODE			BY REGION			KG / dosage		# of SEIZURES	2018		2017	BY MODE			BY QUANTITY		
KG	D	#	KG	D	#				2018	2017		KG	D	#	KG	D	#

## ANALYSIS

## ANALYSIS:

In 2018, amphetamine seizure quantities decreased in kilograms (-20%) and doses (-79%). The large decrease in doses is attributed to a large seizure of 10,000 pills in 2017. Excluding this seizure, the decrease amounts to -28%. The number of seizures has remained relatively stable averaging 270 seizures annually since 2015. The CBSA's amphetamine seizures consist of prescription amphetamines as well as substances used for illicit recreational purposes. According to the CBSA Lab, of the limited number of amphetamine samples analyzed, the majority were for illicit recreational use and arrived from [REDACTED]. Dark web vendors in the [REDACTED] has historically been a source country for synthetic drugs to Canada, however seizure quantities of amphetamine from [REDACTED] have been decreasing since 2016. This decrease is likely partly due to domestic diversion of legitimate prescriptions and higher demand and availability for other amphetamine-type stimulants (ATS) such as MDMA, as well as New Psychoactive Substances (NPS) and amphetamine analogues producing similar stimulant effects. In 2018, seizure quantities were highest in the [REDACTED] modes. The [REDACTED] mode accounted for the highest number of seizures (48%) with the majority of seizures below 10 grams/doses from travellers visiting Canada, likely suggesting recreational use. The largest total quantities of amphetamines were seized in the [REDACTED] mode, mainly due to two large shipments at the Vancouver International Airport totalling 5 kg. Seizures from travellers in the [REDACTED] mode were predominantly in pill form, concealed within their personal belongings. Seizures from the [REDACTED] continue to primarily arrive via the [REDACTED] mode, averaging 75 grams per shipment. The highest number of seizures originated from the [REDACTED] (43%), primarily through the [REDACTED] mode, which represents a 22% decrease from 2017. Export seizure numbers decreased by 44%, mainly in the postal mode compared to 2017. Export seizure quantities in kilograms increased as a result of 2 significantly large seizures in the [REDACTED] mode totaling 5 kg of liquid amphetamine. Excluding these two seizures, amphetamine export seizure quantities decreased in doses (-44%) and increased in grams (59%) with the majority below 35g suggesting recreational use.

## SUPPLY AND DEMAND FACTORS:

UNODC reporting indicates that amphetamines remain the second most commonly used drug worldwide, with an estimated 35 million past-year users and markets expanding in North America. The increase in seizures in North America is believed to be due to more domestic production in the [REDACTED] – a country that accounted for approximately 6% of total quantity of amphetamine seizures worldwide in 2016. Recently, large amounts of amphetamine seizures have been reported in [REDACTED] countries such as [REDACTED]. Organized crime groups (OCGs) remain the top producers and traffickers of synthetic drugs in the [REDACTED] while [REDACTED] OCGs have an established presence as key suppliers on the online market. Amphetamines produced in [REDACTED] are primarily for domestic use, however some are exported abroad. This trend is consistent with the [REDACTED] continuous role as a key transit country of amphetamine to Canada. The 2017 Canadian drug, alcohol, tobacco survey states that 2% of Canadians (15+) reported past-year use of a stimulant (products such as Ritalin, Concerta, Adderall, Dexedrine or others, likely to treat concentration problems), increasing from 1% in 2013, and 2015.

## FORECAST:

Although global supply of amphetamines is expected to increase, amphetamine quantities seized in Canada will likely remain stable. The [REDACTED] will likely remain the primary transit countries of amphetamines to Canada in 2019, both by the number and quantity of seizures. Open source reporting and partner information indicate that [REDACTED] is an emerging synthetic drug threat, particularly. Despite the low number of CBSA seizures originating from these areas, officers should not discount the potential for increased amphetamines seizures from this region. According to the UNODC, the large quantities of amphetamine seized in North America could be due to an expansion of domestic production in the [REDACTED], signalling that officers may encounter large quantities of amphetamines via the [REDACTED] in the [REDACTED] modes.

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## OTHER CONTROLLED DRUGS

FORECAST 2019: NPS, Benzodiazepines &amp; Prescription Opioids



Year-End 2018 BY MODE [#]	CATEGORIES OF OTHER CONTROLLED DRUGS	MAIN TRANSIT POINTS		Year- End 2017 BY MODE [#]
		2018	2017	

## ANALYSIS

**ANALYSIS**  
The overall number of seizures in the other controlled drug category – including prescription medication and New Psychoactive Substances (NPS) – increased (+10%) in 2018 compared to 2017. The number of prescription opioid seizures rose (+34%) in 2018 relative to 2017, likely due to high demand. The highest number and total quantities of prescription opioids are seized in the postal followed by modes. The most frequently encountered opioids include codeine, followed by oxycodone, tramadol, buprenorphine, and hydrocodone. Consultations were recently held to schedule tramadol under the CDSA. The number of inbound benzodiazepine seizures increased (+86%) in 2018 compared to 2017, while outbound seizure numbers decreased (-85%). Inbound seizures are primarily under 100 grams/doses, probably suggesting personal consumption. In 2018, officers encountered several large shipments (+500 g/doses) – which likely suggest trafficking – from among other locations, in the modes. According to the UNODC, benzodiazepines are primarily diverted from the legal market in countries they are produced in, however there are instances of clandestine production of such drugs are likely the key source countries of benzodiazepines illicitly imported into Canada based on large seizures from both countries, the size of their pharmaceutical industries, and instances of diversion from legitimate industry. The total number of NPS seizures slightly increased in 2018 compared to 2017. Omitting several large seizures (+500 g/d), the majority of NPS are transported to Canada via node in small quantities averaging 13 grams/ 86 doses, likely suggesting personal consumption. Exports accounted for 12% of total NPS seizure numbers. In 2018, officers encountered the largest inbound numbers and quantities of tryptamines (psilocybin, harmaline & DMT), followed by phenethylamines (251-NBOH, 6-APB), and synthetic cathinones (3-MMC). Of these NPS, officers continue to seize large quantities of harmaline (found in the Peruvian caapi plant and put into DMT) and DMT, likely indicating that a niche market has formed in Canada. NPS source countries vary per drug, particularly for plant-based NPS. Overall are source/transit countries of multiple NPS to Canada, while is also a key transit country. According to the cased traffickers tend to purchase synthesized NPS from abroad and resell the drugs via system, as opposed to manufacturing NPS themselves.

## SUPPLY AND DEMAND FACTORS:

Open-source reports reveal decreases in the quantity of prescriptions of opioids (-10%) and benzodiazepines (-5.9%) in 2017 compared to 2016. Some users are likely illicitly acquiring both drugs to supplement prescription reductions, self-medicate, or misuse with other drugs. Users are facilitated by low prices and ease of purchase on the Dark web or online pharmacies. DEA reporting indicates that traffickers are selling fentanyl(s) in the form of counterfeit opioids and benzodiazepines, primarily alprazolam. The CBSA Lab has not encountered alprazolam mixed with fentanyl, although Health Canada received several exhibits of this blend in 2018, likely indicating that traffickers are mixing both substances domestically. 2017 survey data indicates that 12% of Canadians (15+) reported past-year use of opioids, with similar figures for sedatives, including benzodiazepines. Of sedative users, 1% reported using sedatives to get high, while 3% of opioid users reported problematic use of opioids. The NPS market remains dynamic, as new substances emerge and others establish niche markets. Based on seizure data, the most common NPS include stimulants and hallucinogens. This trend is consistent with domestic use, as statistics reveal continued domestic use of hallucinogens and stimulants, including MDMA and prescription amphetamines.

## FORECAST:

The number of postal seizures of NPS will likely increase in 2019, as traffickers continue to produce new types of NPS, and given the niche market that has formed for DMT and Harmaline. If Beijing regulates the entire category of fentanyl(s), suppliers may increase their production of analogues as an alternative to fentanyl, given similar effects. This will likely result in an increase in seizures of I compounds from The number of prescription opioid and benzodiazepine seizures are expected to rise in 2019, due to demand, lowering prescription rates, and online and Dark web availability. The is reporting that traffickers are selling fentanyl-containing counterfeit pills to increase addiction and expand consumer markets. This signals that the CBSA will plausibly encounter this mixture in the mode.

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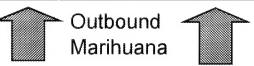
**CANNABIS**

\*\*Data integrity issues exist with cannabis interdictions (seizures & forfeitures). All figures should be interpreted as approximate.

\*\* Figures in the charts exclude cannabis input into ICES under both the "other controlled drugs" and "export control" categories. Cannabis input under the export control category are included in the analysis.

Year-End 2018 (All Categories)				CANNABIS CATEGORIES		MAIN TRANSIT POINTS		Year-End 2017 (Marihuana & Hashish)			
BY MODE			#					BY MODE			BY REGION
KG	D	#	New cannabis categories below were introduced in ICES on October 3, 2018.	2018	2017	KG	#	KG	#	KG	#

**FORECAST 2019:** Inbound  
Marihuana, Hashish, Edibles,  
Concentrates

**ANALYSIS****ANALYSIS:**

The Government of Canada legalized recreational cannabis (dried cannabis, plants, seeds, and oils) on October 17, 2018. In 2018, the amount of dried cannabis (marijuana) interdictions increased (+38%) compared to 2017. The majority of these quantities were interdicted pre-legalization, however two shipments totalling 36 kg were interdicted at Pearson Airport post-legalization, Omitting these incidents, inbound marijuana interdictions post-legalization were mainly of small quantities (averaging 10 grams per interdiction), suggesting personal use. After legalization, officers encountered the largest total quantities of cannabis contained in solids (17,098 d/ 122 kg), marijuana (40 kg), cannabis in non-solids (72,000 d/ 8 kg), and concentrates (9,197 d/ 3 kg). Some of these categories include products that are currently illegal for domestic sale, including vaping liquids, topicals, and edibles. The top marijuana transit/source countries by quantity in 2018 were the , followed by . with the majority of marijuana volumes interdicted pre-legalization. Interdiction volumes of hashish, which is presently illegal for domestic sale, also rose (+421%) in 2018 relative to 2017. This increase is largely due to two air cargo shipments, totalling 1,314 kg at from - a key hashish source and transit country. The is the top transit/source country of all cannabis categories, both by the quantity and number of interdictions, in modes. Officers continue to encounter synthetic cannabinoids, which remain controlled under the CDSA, via mode. In 2018, marijuana was the most commonly exported form of cannabis by the number and quantity of interdictions, primarily shipped via nodes. In 2018 pre-legalization, officers interdicted at least 675 kg of outbound marijuana, compared to 366 kg in the months following legalization. The quantity of marijuana exports in 2018 post-legalization (October 18 – December 31) increased (+463%) relative to the same period in 2017, likely signalling that exports will continue to rise. In 2018, marijuana exports (+1kg) were destined to markets where the drug remains illegal, including in via and nodes.

**SUPPLY AND DEMAND FACTORS:**

Shortly after Canada legalized recreational cannabis, national supply shortages followed, coupled with rising demand. Estimates of domestic demand post-legalization in the 4<sup>th</sup> quarter of 2018 reveal an expected rise in the amount of people aged 15+ wanting to purchase legal (5.4 million) and illegal cannabis (1.7 million), compared to 4.6 million pre-legalization in the 3<sup>rd</sup> quarter of 2018. Existing supply shortages are expected to worsen upon the legalization of edibles and concentrates in 2019, particularly given the anticipated additional demand for such products. Deloitte assesses that 58% of likely cannabis consumers intend to purchase edibles upon legalization. The illicit markets role and size will likely partly depend on whether the legal market can mitigate supply shortages, provide competitive pricing and easy access to various cannabis products, and prevent organized crime infiltration.

**FORECAST:**

If supply shortages persist, marijuana imports are expected to increase via the mode. illicit grow operations will also likely continue to supply domestic consumers, until the legal market reaches an equilibrium between supply and demand. The number and quantity of inbound cannabis concentrates and edibles interdictions will likely rise in 2019 – primarily via the modes, given the current layered system of legalization. Officers will likely encounter large hashish imports via source or transit countries in . Marijuana exports (+1kg) will likely continue to be destined to via, modes given global demand for Canadian marijuana, restrictive drug laws abroad, and accessibility from Canada-based online and Dark web vendors. While s progressing towards the legalization of recreational marijuana, this development is not expected to significantly impact the Canadian market given Canada's recent cannabis legalization.

**CATHA EDULIS (KHAT)****FORECAST 2019**

Year-End 2018				TOP 3 POES		MAIN TRANSIT POINTS		Year-End 2017					
BY MODE		BY REGION		KG	#	KG	# of SEIZURES	2018	2017	KG	#	KG	#
KG	#	KG	#	KG		2018		KG	#	KG	#	KG	#

**ANALYSIS****ANALYSIS:**

In 2018, khat quantities seized slightly increased (+5%) relative to 2017. Khat primarily arrives in Canada via mode, followed by the modes. The CBSA seldom encounters khat in the mode, however officers encountered a 1,327 kg seizure from December – the largest shipment this year and the first seizure from

The CBSA has only four other seizures of khat on record since 2014, collectively amounting to 6,397 kg or the drug

remain the top source and transit countries of khat to Canada, with 54% and 27% of total khat quantities seized arriving from each country respectively. also remains a key transit country of khat to Canada, however seizure quantities from , a top transit country, drastically decreased in 2018 (-98%). The amount of khat seized from has decreased across the board. The decrease in seizures from is likely due to traffickers shifting transit countries to evade detection. Over the past few years, different countries in have emerged as periodic transit countries, transporting medium quantities averaging 7 kg of the drug to Canada.

**SUPPLY AND DEMAND FACTORS:**

Khat is mainly transported to Canada from the countries where the Catha Edulis plant is grown, including to a lesser extent. Khat is also grown in however the CBSA has few seizures of khat or other drugs from either country. Khat consumption continues to be a popular social pastime in the While there are no statistics available on demand in Canada, it can be inferred that the main khat consumers in Canada are individuals in communities from where the plant is grown. Based on the 2016 census, the largest communities are located in . These numbers are consistent with the CBSA's 2018 seizure data, as the remains the top import destination, both in terms of the quantity and number of khat seizures. Given that it is plausible that the demand for khat may increase as more refugees settle in Canada from these countries.

**FORECAST:**

Khat quantities seized will likely increase in 2019 based on the trend in rising quantities seized over the past several years, consistent supply and demand, and plausible increase in consumers. It is plausible that the CBSA will increasingly encounter khat via the mode. If this occurs, shipments will likely arrive at based on previous seizure locations. It is very likely that will remain the top source and transit countries of khat, with shipments largely arriving via modes.



PRECURSOR CHEMICALS		FORECAST 2019		MDMA & Methamphetamine Precursors	Fentanyl Precursors
Year-End 2018		DRUGS MANUFACTURED WITH THE PRECURSORS SEIZED		Year- End 2017	
QUANTITY and # of SEIZURES [Grams/ Kilograms/ Doses]	QUANTITY and # of SEIZURES [Litres]			QUANTITY and # of SEIZURES [Grams/ Kilograms/ Doses]	QUANTITY and # of SEIZURES [Litres]
		↑		↑	

## ANALYSIS

**ANALYSIS:**

In 2018, the total quantity of precursors seized increased in doses and decreased in kilograms and litres compared to 2017. Seizure volumes of benzocaine – a non-controlled pharmaceutical commodity also used as a cocaine cutting agent – rose from 2 kg in 2017 to 80 kg this year, largely arriving in modes via 2018 Health Canada records corroborate the presence of benzocaine in some cocaine samples across Canada. High cocaine seizure quantities coupled with decreasing volumes of phenacetin, another cutting agent, also suggest that traffickers are procuring cutting agents domestically, including online, over the counter, or through diversion from legitimate industry. With regard to methamphetamine precursors, total ephedrine quantities seized decreased in kilograms (-96%) but increased in doses (+4%). The vast majority of ephedrine seizure numbers were exports in pill form, averaging 154 doses per shipment. Officers also encountered two large shipments of hypophosphorous acid this year, including 106 kg and 100 L, in the mode via Both shipments were destined to residential addresses plausibly indicating use in clandestine labs. While a significant amount of methamphetamine in Canada is imported, a portion is likely produced domestically, given inbound precursor seizures, domestic availability of dual-use precursors, and clandestine lab discoveries. Domestic authorities discovered at least four production labs since 2017, including in

The extent of domestic production is an intelligence gap. Propionyl chloride - a toxic, colourless liquid used to synthesize fentanyl – was the most frequently encountered fentanyl precursor in 2018, with over 5.6 litres seized, possibly yielding between 9-14 kg of fentanyl(s).

The extent of domestic fentanyl synthesis is an intelligence gap, fentanyl processing labs, where powder is processed into pills, are more common.

**SUPPLY AND DEMAND FACTORS:**

the world's leading chemical exporter by value, remains the primary source and transit country of precursor chemicals to Canada. and Road Initiative, that will gradually connect and increase trade between including previously remote regions. Despite no precursor seizures this year, also remains a key source country of precursor chemicals to Canada and markets abroad. also has a significant chemical industry, faces diversion from the legitimate market, and is home to large-scale clandestine laboratories that produce precursors.

**FORECAST**

Traffickers will likely continue to produce precursors outside of domestic controls, mislabel shipments, and divert chemicals from legitimate industry. Imports of MDMA and methamphetamine precursors will likely continue via in modes, with the largest quantities encountered in the node. Officers are expected to encounter large quantities of cocaine cutting agents, such as benzocaine, as global supply of cocaine remains high and demand continues. Outbound seizures of ephedrine will likely continue. Inbound fentanyl precursor seizures are expected to remain stable in 2019.



## Drug Analysis Report (DAR) - Notes

The following report will provide statistical information on each of the main categories of drugs seized by the CBSA, coupled with trend analysis, examination of supply and demand factors as well as forecasts for 2019. All data was extracted from the Integrated Customs Enforcement System (ICES). Some 2017 data is captured in 2018 seizure numbers and quantities. The following is an explanation of some of the key terms used for each category of drugs:

### Modes

- Air (P): air traveller/passenger stream at Canadian international airports.
- Air (C): commercial courier parcels arriving by air.

### Regions

Atlantic (ATL)  
Québec (QUE)  
Greater Toronto Area (GTA)  
Northern Ontario (NOR)  
Southern Ontario (SOR)  
Prairie (PRA)  
Pacific (PAC)

### Other Terms

Drug Enforcement Agency (DEA)  
Organized Crime Group (OCG)  
Port of Entry (POE)  
United Nations Office on Drugs and Crime (UNODC)  
New Psychoactive Substances (NPS)  
Amphetamine Type Substances (ATS)  
Lester B. Pearson International Airport (LBPIA)  
Pierre Elliot Trudeau International Airport (PET)  
Kilograms (kg)  
Grams (g)  
Doses (d)  
Litres (L)

### Main Transit Points

Ranking criteria is based on intelligence and the percentage of quantities seized from a country out of total quantities seized.

### Time Periods

Year- End 2018 – January 1 to December 31, 2018  
Mid-Year 2018 - January 1 to June 30, 2018  
2017 - January 1 to December 31, 2017

## Information Regarding DAR Data

Information for this report was retrieved from ICES for the period of January 1st, 2018 to December 31, 2018. Data was pulled over the period of December 3<sup>rd</sup> to the 7<sup>th</sup>, 2018, as well as January 7<sup>th</sup> to 8<sup>th</sup> 2019. Subsequent changes to 2018 data in the system were not captured.

For the purposes of this report, countries found in the "Transit" category may also be origin countries in some instances. The lists are based on ICES point of origin.

Modes were determined based on the POE. For POEs where the mode was unclear, closer analysis was done in order to determine in which mode the drugs were seized.

Air commercial mode includes courier parcels as well as other commercial cargo, including all seizures listed under the "Cargo" section of airports in ICES.

Methamphetamine numbers include methamphetamine seized in powder and crystal form. All original units of measure are referenced as reported in ICES. Reporting on fentanyl was done in grams on the fentanyl page, given that shipments are usually reported in grams due to the high potency of the drug.

New ICES categories were introduced in October 2018 to capture dried and fresh cannabis, cannabis seeds, solids, non-solids, concentrates, and synthetic cannabis. Prior to cannabis legalization, some of these cannabis substances were input into ICES under the "other controlled drugs" category. These figures are not included in year-end 2018 cannabis figures. The 2018 year-end interdiction figures in the chart do not include outbound interdictions input into ICES under the "export control" category, however these figures were discussed in the analysis section. The word "interdiction" has been chosen to encompass instances where officers either seized or forfeited cannabis.

This report uses the NPS definition as set out by the UNODC. Some of these substances have similar effects to drugs under international control such as cannabis, cocaine, heroin, LSD, MDMA and methamphetamine. The term NPS does not refer to substances that are "new", but to substances that are not controlled by the 1961 Single Convention on Narcotic Drugs or the 1971 Convention on Psychotropic Substances, and may pose a public health threat.

Analysis of NPS seizures is limited by the fact that most substances are not under national or international control and may not be seized. Analyzing NPS quantities seized may also not reflect availability of such substances since detecting them remains a challenge to law enforcement, in terms of identifying the substance and intercepting substances often trafficked in small quantities via the postal mode.

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